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HOUSE OF REPRESENTATIVES

REPORT
No. 98-768

SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1984

MAY 15, 1984.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HOWARD, from the Committee on Public Works and Transportation, submitted the following

REPORT

[To accompany H.R. 5504]

[Including cost estimate of the Congressional Budget Office]

The Committee on Public Works and Transportation, to whom was referred the bill (H.R. 5504) to apportion funds for construction of the National System of Interstate and Defense Highways for fiscal years 1985 and 1986, to revise authorizations for mass transportation, to expand and improve the relocation assistance program, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment strikes out all after the enacting clause of the bill and inserts a new text which appears in italic type in the reported bill.

INTRODUCTION

Just two years ago, the Committee on Public Works and Transportation reported to the House a bill which ultimately became the Surface Transportation Assistance Act of 1982. That landmark piece of legislation, passed during a turbulent lame-duck session after months of uncertainty over its prospects for enactment, made possible a substantial increase in highway authorizations and the expansion and strengthening of the public transportation program, backed up by significant increases in revenues raised by the motor fuels tax.

Notable though that accomplishment was, that Act did not absolve the Congress of its responsibility for continuing to monitor the progress of the programs authorized on a multiyear basis to

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assure that they keep abreast of the emerging transportation needs of the nation. H.R. 5504 represents this Committee's response to those evolving needs.

In the highway area, there remains unfinished business in approving apportionment factors for the Interstate program, a once-routine process made urgent by the unprecedented inability of the Congress this year to resolve differences blocking the approval of the Interstate Cost Estimate. It is past time that the Congress provide relief to the many States saddled by obligation limitations with a continuing backlog of unobligated apportionments and no means of committing them to essential projects ready to proceed.

Apportionment formulas for high-priority categories must be reviewed in terms of equity and their ability to target funds most precisely to the areas of greatest need. Regulatory requirements of Federal highway law merit constant scrutiny with a view toward modification in instances where they work unintended hardship or produce no discernible benefit. The 1982 Act needs a large number of technical amendments. There is need for the Congress to give guidance to the Administration in its discharge of responsibilities under Federal highway law, and in turn to seek guidance from the Administration in the form of special studies which may provide the basis for enlightened legislative enactments in future years. Finally, there remains a need for provisions which help assure that a national program remains sensitive and responsive to the diverse needs of the various constituencies served.

In the transit area, there is a need to consolidate the gains made with enactment of the 1982 Act, which achieved the long-sought goal of a stable, dedicated and predictable funding source in the form of the Mass Transit Account in the Highway Trust Fund, supported by a dedicated one cent of the five-cents-per-gallon increase in the motor fuels tax. The full range of advantage conferred by the enactment of contract authority, whereby the authorizing statute provides the authority to incur contractual obligations on the part of the Federal Government, has yet to be fully utilized to the maximum. Much more can be done to assure local transit systems that vital capital funds will be forthcoming when needed, structured in a manner that will provide an incentive for those systems to strengthen the merits of their funding proposals. The Mass Transit Account is in the enviable position of being able to sustain a higher level of authorizations than that contained in existing law. There are opportunities to establish a long-term policy governing the relative share of capital funds going to such purposes as new rail starts (and extensions of existing systems), rail system modernization, and bus and bus facilities. Moreover, there is the need to provide long-term guidance through the authorization process for critical new-start decisions which, once made, can have the effect of evolving into long-term commitments of capital funds and operating assistance.

Finally, there is another entire body of concerns to be addressed at the moment, arising from the fact that the Uniform Relocation and Property Acquisition Policies Act has undergone no modification since its enactment in 1970. There has been compelling testimony to the effect that the uniformity in coverage and levels of benefits available to those covered, an original objective of the Act (as the name implies), has not been fully realilzed. There is a need to upgrade benefits levels in terms of the effects of inflation. And there is a need to broaden coverage of the Act in recognition of the fact that homeowners, rental tenants, businesses and farm operations can be adversely affected by activities which do not necessarily involve the actual acquisition of property by a governmental agency.

Title I of the bill, chiefly affecting the highway program, contains Congressional approval of the Interstate Cost Estimate and Interstate Substitute Cost Estimate for the remainder of this fiscal year and all of next year. Its enactment should prevent a recurrence of the delays and disruption which affected the Interstate program and related activities as a result of Congressional inability to move an ICE provision in late 1983. This title also contains two key provisions affecting the obligation ceiling, one assuring that any shortfall in meeting the obligation ceiling in fiscal year 1984 could be compensated by an upward adjustment of the ceiling for fiscal year 1985, and the other providing extra obligation authority to those States with the largest backlog of unobligated apportionments.

Also provided in title I is an increase in the discretionary bridge program under section 144 of title 23, United States Code, from $200 million to $300 million per year. The formula for apportionment of funds for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System would be modified to give greater weight to actual use by vehicles, including heavy trucks, and hence wear and tear on the highway.

Several issues of funding eligibility are resolved, ranging from the highway safety improvement and rail crossing programs to the Interstate construction program (including the discretionary portion thereof).

Several studies are provided, including the rural-urban distribution of funds and the equity of apportionment formulas across the board; the title also contains technical amendments, a number of projects to demonstrate the latest techniques for accomplishing certain safety and transportation objectives, and a modification of the Buy America provision of existing law (dealing with bus purchases and reinstating cement).

Title II contains several amendments intended to provide maximum benefit from the fact that transit capital funding in the section 3 (of the Urban Mass Transportation Act of 1964) discretionary program is now strengthened by contract authority backed up by the Mass Transit Account in the Highway Trust Fund. Authorizations would be increased from the current level of $1.1 billion a year to $1.5 billion, in keeping with Congressional Budget Office estimates that this level can be sustained by the level of dedicated revenues. This is also in keeping with this Committee's position that trust fund programs, whether in the area of highways or transit, should provide the maximum in the way of authorizations to benefit those users supporting the system. This title also extends authorizations for one additional fiscal year (1987). It establishes a split in the use of section 3 funds as follows: 40 percent new rail starts and extensions to existing systems; 40 percent rail modernization; 10 percent bus and bus facilities (which is in addition to routine replacement of bus fleets financed by apportioned funds under section 9); and 10 percent for use at the discretion of the Secretary. Moreover, title II establishes statutory criteria for new rail starts, relying heavily on such factors as the results of alternatives analysis, local political and financial support for project capital and operation, and cost-effectiveness. It also strengthens the ability of grantees to enter into long-term agreements with the Department of Transportation, obtaining commitments for funding in future years as it becomes available.

Title III, dealing with the Uniform Relocation Act, expands coverage of the Act by extending eligibility for benefits to individuals, businesses and farm operations displaced as a result of activities which do not involve actual acquisition of property by a public agency using Federal funds. Demolition and rehabilitation are a prime example, and other forms of displacement also could be compensated at the discretion of a Federal agency as exercised through the rule-making process.

Title III also seeks to achieve a degree of uniformity not achieved in the original Act; it would do so by vesting responsibility in a lead agency—the Department of Transportation—for development of government-wide regulations assuring consistency of, among other things, coverage in terms of eligibility and benefits provided. Within the framework of uniform policy, however, the amendments seek flexibility by providing for States to administer the program on the basis of certification that their laws and regulations achieve the same purpose and effect as those enacted and issued at the Federal level.

Finally, the amendments in title III provide for some expansion of benefit levels, and at the same time provide for some streamlining language which should provide some cost savings.

TITLE I—HIGHWAYS

Section 101—Short Title

This title may be cited as the Federal-Aid Highway Act of 1984.

Section 102—Interstate Cost Estimate Approval

Subsection (a) directs the Secretary of Transportation to apportion one-half of the funds authorized for the Interstate System for fiscal year 1985 (and therefor available for apportionment during fiscal year 1984) on the basis of apportionment factors contained in revised table 5 of Committee Print 98-35 of the House Committee on Public Works and Transportation. (The remaining one-half of the fiscal year's authorization was apportioned on the basis of factors approved in P.L. 98-229, signed into law on March 9, 1984.)

Subsection (b) directs the apportionment of Interstate System funds authorized for fiscal year 1986 on the basis of revised table 5 of Committee Print 98-35 as well.

Section 103—Interstate Substitute Cost Estimate Approval

Subsection (a) directs the Secretary to apportion one-half of the funds authorized for highway and transit projects substituted for withdrawn Interstate System projects under section 103(e)(4) of title 23, United States Code, for the remainder of fiscal year 1984 on the basis of factors contained in Committee Print 98-36 of the House Committee on Public Works and Transportation. (Partial apportionments of funds authorized for substitute highway and transit projects for fiscal year 1984 were made on the basis of factors approved by P.L. 98-229).

Subsection (b) also directs the apportionment of all funds authorized to be apportioned for such projects for fiscal year 1985 on the basis of factors contained in Committee Print 98-36.

Subsection (c) would require the Secretary to transmit to the Congress proposed apportionment factors for highway and transit substitute projects—representing 75 percent of authorizations in the case of highways and 50 percent in the case of transit—in odd-numbered years rather than even-numbered years as is now the case under existing law. This change would make the transmittal of proposed apportionment factors for highway and transit substitute projects coincide in time with that of the Interstate Cost Estimate.

Subsection (d) is a technical amendment providing a period of availability for allocated (not apportioned) Interstate substitute funds—the year in which allocated plus the succeeding fiscal year—which is identical to the period of availability applicable in the case of apportioned substitute funds.

Subsection (e) contains a purely technical amendment correcting a typographical error in the Interstate transfer provision of title 23, United States Code.

In previous years, the Federal Highway Administration has allowed States to shift Interstate transfer funds among eligible withdrawal areas. Due to changes in Federal legislation, the Federal Highway Administration now believes it no longer has the authority to permit States to make such transfers. It is the view of the Committee that no provision of Federal law should be construed by the Federal Highway Administration to preclude shifting of Interstate transfer funds among withdrawal areas in a State, provided that no withdrawal area will receive more or less than its entitlement under Section 103(e)(4) of title 23 of the U.S. code over the life of the program.

Existing law requires that all Interstate substitute projects carried out under the provisions of the Interstate transfer language in section 103(e)(4) of title 23, United States Code, be under contract for construction by September 30, 1986, or that construction shall have commenced by that date. This requirement has given rise to the concern that if the law is rigidly interpreted to mandate obligation of Federal funds for preliminary engineering by that date in all instances, scarce funds would be diverted to this purpose from high-priority capital projects ready to go to construction in the near future. For example, the State of Connecticut feels constrained to divert approximately $5 million to engineering work on Route 11 in the eastern portion of the State from construction work on Route 6.

The Committee believes that this is not or should not be a concern. The construction deadline of September 30, 1986 for substitute projects is contained in section 107(e) of the Surface Transportation Assistance Act of 1978, which expressly made the deadline subject to a finding by the Secretary that sufficient Federal funds are available. It is evident from the authorizations contained in existing law that Federal funds are not available for the purposes of launching all substitute projects without regard to funding limitations. The Committee therefore would expect and intend that the Federal Highway Administration administer the deadline requirements in such a manner as to minimize disruption and delay of construction projects by requirements for commencement of preliminary engineering.

Section 104—Obligation Ceiling

Subsection (a) is intended to prevent any loss of obligation authority resulting from delays experienced in obtaining Congressional approval of the Interstate Cost Estimate for funds apportioned during fiscal year 1984. The subsection provides that if obligations by the States fail to reach the obligation ceiling established for fiscal year 1984, the amount of the shortfall will be added to the obligation ceiling for fiscal year 1985.

Subsection (b) addresses the fact that some States face a loss of obligation authority as a result of the following combination of factors: (1) obligation authority is distributed among the States on the basis of each State's share of apportioned and allocated programs; (2) the Department of Transportation distributed such obligation authority for fiscal year 1984 on the basis of certain assumptions, notably including particular apportionments of Interstate System authorizations; (3) actual apportionments are being made in a different manner than contemplated by D.O.T., half on the basis of P.L. 98-229 and half on the basis of this bill; and (4) without language to the contrary, those apportionments made on the basis of this bill upon its enactment would lead to a redistribution of obligation authority to avoid breaching the ceiling in existing law. To avoid loss to any State, subsection (b) provides that no State shall suffer a reduction in obligation authority as a result of the obligation limitation in existing law, and further provides additional obligation authority to absorb the adjustment made by this subsection.

Subsection (c) is intended to address the problem of several States which have accumulated a significant backlog of unobligated apportionments for a variety of reasons, and are unable to eliminate that backlog by virtue of the fact that obligation authority is distributed to a State each year on the basis of funds apportioned and allocated to that State in that year; in essence, with obligation authority limited to the amount of new funding, the backlog is perpetuated. Subsection (c) is intended to benefit on a one-time basis those States with the largest backlog. If a State had, on October 1, 1983, unobligated apportionments for highway and highway construction programs exceeding one-third of its apportionments of funds for those programs for fiscal year 1983, it would be eligible to benefit from this provision by receiving additional obligation authority to liquidate that portion of its backlog exceeding the one-third figure. Such additional obligation authority would be provided in amounts of one-third each over fiscal years 1985, 1986, and 1987. For example, if a State had apportionments of $100 million for fiscal year 1983 and had unobligated apportionments of $50 million on September 30, 1983, it would clearly be eligible because its backlog exceeded one-third ($33.3 million) of its apportionment for the year. It thus would be eligible to work off the difference between $33.3 million and $50 million, or $16.6 million, on the basis of three yearly installments of $5.5 million each during fiscal years 1985, 1986, and 1987.

If a State is unable to use the increased obligation authority for a given year, it is the intention of the Committee that such authority lapse rather than be redistributed or added to such State's obligation authority for the succeeding fiscal year. However, failure of any State to use any extra obligation authority in one fiscal year in no way reduces such State's eligiblity to make use of this provision in the following year.

With respect to another issue, it has come to this Committee's attention that there is concern in some States about specific wording of a differing site conditions clause in contracts for Federal-aid highway projects. There has also been concern about the differing administration of such clauses from State to State.

The Committee directs the Federal Highway Administration to report to the Committee on the desirability of adopting the standard Federal contract clause for differing site conditions effective February 1, 1968, for work performed with Federal Highway funds.

Pending that report, it is the intention of the Committee that the administration of the differing site conditions questions be performed in a manner that will not require excessive knowledge on the part of the contractor beyond that described in the standard Federal contract clause effective February 1, 1968.

On an unrelated issue, the Surface Transportation Assistance Act of 1982 authorized an additional $10 million per fiscal year to conduct and finance minority business (MBE) training and supportive services programs under 23 U.S.C. 140. It has been brought to the Committee's attention by a task force investigating problems facing minority business enterprises in the City of Buffalo, New York, that the establishment of a model program to provide training and supportive services to MBEs is needed in order to fully and successfully implement minority business enterprise participation requirements. A project proposal has been developed and prepared by the task force to fund a model minority business enterprise supportive services program that would provide an innovative approach for guidance and training to minority business enterprises.

It is the intent and expectation of the Committee that this project be approved and funded under 23 U.S.C. 140(c).

Section 105—Emergency Call Boxes

Section 105 authorizes the use of hazard elimination funds under section 152 of title 23, United States Code, for the installation of emergency motorist-aid call boxes.

Section 106—Emergency Relief for the Territories

Section 106 adds a new subsection (d) to section 125 of title 23 which makes the territories eligible for emergency relief assistance. Subsection (b) imposes a $5 million annual limitation on emergency relief funding for the territories. Subsection (c) makes the foregoing amendments retroactive to April 15, 1983, to cover a recent disaster.

Section 107—Tank Trucks

Subsection (a) provides, for two classes of vehicles, a temporary modification of the bridge formula contained in section 127, of title 23, United States Code, so called because it prescribes limitations on axle loadings to prevent undue concentration of weight within overall gross vehicle weight limitations, thus to prevent harm to bridges on the Interstate System.

Existing law provides that two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each providing the overall distance between the first and last axles of such consecutive sets of tandem axles is 36 feet or more. This in effect requires 36 feet between the second and fifth axles on the conventional 18-wheel, five-axle, tractor-semitrailer combination common to the trucking industry. Because of ambiguities in interpretation of the bridge formula since its enactment in the mid-1970's, tank trucks have been acquired and placed in service which, while complying with overall gross vehicle weights, inadvertently would trigger the bridge formula prohibitions when loaded to capacity.

This situation has been called to the Committee's attention relatively recently because of tighter enforcement policies pursued by the Federal Highway Administration. In view of the relatively small number of such vehicles, the Committee believes a temporary modification of this requirement—terminating on September 1, 1988—to provide for 30 feet between the axles in question is altogether reasonable. Much the same can be said of freight containers widely used in intermodal transport by truck and ocean-going vessels. Shorter containers, which occasion the use of vehicles with lesser spacing between the second and fifth axles of five axle vehicle, are in widespread use but are in the process of being phased out in favor of longer containers which will occasion the use of longer trailers which eventually will meet the bridge formula requirements. The Committee has concluded that fairness dictates the inclusion of these vehicles as well.

Subsection (b) provides the definition of ocean container incorporated by reference in the statutory language:

An article of transport equipment:

(a) of a permanent character and accordingly strong enough to be suitable for repeated use;

(b) specially designed to facilitate the carriage of goods by one or more modes of transport, without intermediate reloading;

(c) fitted with devices permitting its ready handling, particulary its transfer from one mode of transport to another;

(d) so designed as to be easy to fill and empty;

(e) having an internal volume of 35.3 ft^3 or more.

The term "freight container" includes neither vehicles nor conventional packing.

Section 108—Highway Beautification

Section 108 provides $5 million in contract authority per fiscal year though fiscal year 1986 to carry out section 131 of title 23, United States Code.

Section 109—Priority Primary Projects

The section amends the listing of priority primary routes which are eligible for a Federal funding match of at least 95 percent (rather than the 75 percent applicable to conventional primary projects), if a State elects to use its regularly approtioned primary funds on such routes. The routes added are segments of California State Routes 49, 73 and 113, Route 40 in Maryland, Routes 10/31 and 31 in Mason County, Michigan, and Route 60 (Beaver Valley Expressway) in Pennsylvania.

Section 110—Discretionary Bridge Program

Section 110 increases the amounts set aside for the discretionary bridge program through fiscal year 1986, to carry out section 144(g)(2) of title 23, United States Code, from $200 million to $300 million.

The Secretary should assign priority in the use of discretionary funds to the following bridge projects: the U.S. Route 50 bridge over the Choptank River at Cambridge, Maryland; the Acosta Bridge over the St. Johns River in Jacksonville, Florida; the Colorado Street Bridge in Pasadena, California; the Dan Ryan Bridge in Chicago, Illinois; the Clark Bridge over the Mississippi River at Alton, Illinois; Central Bridge over the Ohio River between Newport, Kentucky and Cincinnati, Ohio; the Zilwaukee Bridge over the Saginaw River near Saginaw, Michigan; and the Williams Viaduct in Lynchburg, Virginia.

Section 111—Highway Technical Amendments

Subsection 111(a) contains a series of purely technical amendments to the Surface Transportation Assistance Act of 1982 (STAA). Paragraph (1) changes the second section 126 of the STAA (Bicycle Transportation) to section 126A to avoid having duplicative section numbers. Paragraph (2) strikes out "(a)" the first place it appears in section 113 of the STAA (Vehicle Weight, Length, and Width Limitations) as there is no subsection (b) to section 133. Paragraph (3) corrects a misspelled word ("apportioned") is section 163 of the STAA (Use of High Occupancy Lanes). Paragraph (4) is a technical amendment to section 165 of the STAA. Paragraph (5) corrects a reference in section 108(d) of the STAA.

Subsection (b) contains a series of purely technical amendments to title 23, United States Code. Paragraph (1) updates the analysis for Chapter 1 of title 23 relating to sections 127 (Vehicle Weight Limitations) and 146 (Carpool and Vanpool Projects). Paragraph (2) strikes out a redundant provision in section 120(f) of title 23 providing a 100% Federal match for emergency relief projects on Federal lands highways. Paragraph (3) reletters subsections of section 120 of title 23 (Federal share payable) to avoid having two subsections lettered (i). Paragraph (4) contains a change to the first sentence of section 122 of title 23 (Payment to States for bond retirement) to conform to a change in the same sentence made by the STAA. Paragraph (5) amends section 125 of title 23 (Emergency relief) to eliminate inappropriate references to a Federal aid program structure contained in the Senate-passed version of the STAA which was dropped in conference. Paragraph (6) adds language to section 144 of title 23 (Bridge replacement and rehabilitation) restoring provisions inadvertently omitted to provide a normal 4-year period of availability for apportioned bridge funds with provision for reapportionment of funds not obligated within the period of availability. Paragraph (7) amends section 204(b) of title 23 (Federal lands highways program) to add mention of the Secretary of Transportation inadvertently omitted in the second sentence.

Subsection (c) amends section 104 of the Marine Protection, Research, and Sanctuaries Act of 1972 (as added by section 424 of the STAA) to add the phrase "to ", which was inadvertently omitted.

Subsection (d) would codify section 111 of the STAA (Vending machines) in title 23 and eliminate a cutoff date of October 1, 1983, inadvertently included in section 111 which imposes a time restriction on the placement of vending machines in rest and recreation areas on rights-of-way of the Interstate System.

Subsection (e) would amend sections 154(e) and 141(a) of title 23 relating to the 55-MPH speed limit to close a potential loophole in the law which might permit a State to avoid enforcement of the 55-MPH speed limit with impunity.

Subsection (f) would amend P.L. 98-229 to permit the State of Maryland to transfer up to $100 million of its Interstate construction funds to rehabilitate the Jones-Falls Expressway in Baltimore, subject to certain conditions, rather than exactly $100 million as provided by existing law.

Another technical issue has been raised with the Committee. Crash cushions are protective systems which prevent errant vehicles from impacting roadside objects by either smoothly decelerating vehicles to a stop when they are hit head-on, or by redirecting vehicles away from the hazard for glancing impacts.

Recent Highway Safety Stewardship Reports from the Secretary of Transportation to the United States Congress have consistently ranked crash cushions among the highest benefit/cost effective safety devices.

Most current crash cushions were designed and tested with passenger vehicles ranging from 2,250 to 4,500 pounds. The vehicle population on United States highways has undergone a significant change in the last ten years. The downsizing of automobiles has produced a proportionately larger segment of the present car population in the 1,800 to 2,250 pound weight range. As currently designed, crash cushions may not provide the most desirable response when impacted by these vehicles.

Crash cushions are designed to match the forces placed on them by the vehicles which impact them. The typical crash cushion on our highways today is approximately eight years old and was designed in a manner that was appropriate to the larger and heavier vehicles that were built before the 1973 oil embargo. When today's lighter cars hit these cushions, less momentum is imparted than that for which the cushion was designed. The resulting resistance of the cushion on the vehicle is much greater than anticipated in the original design. This stiffer response subsequently increases the "g" levels to the occupants, thereby increasing the danger to them. If the number of light-weight vehicles in the car population remains constant or increases, the benefit/cost ratio of the crash cushions now in use may decrease.

Retrofits can be designed to adjust for the reduced inertial forces and momentum that occur with the downsized vehicles. This retrofitting will insure that existing crash cushions are as safe for the cars of today as they were for the much heavier vehicles for which they were originally designed.

To maintain the safety and effectiveness of crash cushions, the Committee urges the Department of Transportation in each State to undertake a program as quickly as possible to upgrade the crash cushions on its highways. This program should consist of a review of the crash cushions on its highways. This program should consist of a review of the crash cushion inventory now in place, an inventory of the equipment that needs to be retrofitted to meet today's downsized fleet, and an upgrading of that equipment.

Section 112—Highway Demonstration Projects

Subsection (a) authorizes $50 million to demonstrate the manner in which design and construction of a highway project in Passaic County, New Jersey, can be accelerated using procedures adopted to carry out section 141 of the Federal-Aid Highway Act of 1976 and established pursuant to section 129 of the Surface Transportation Assistance Act of 1982. The Committee intends that this project be carried out on Route 21 in Passaic County, New Jersey. The final report on the project should explain the time savings, give a description of the procedures used to accelerate design and construction, indicate how the techniques differed from those used on the project authorized by section 141 of the Federal-Aid Highway Act of 1976, and provide an analysis of the costs and benefits of the accelerated completion.

Subsection (b) authorizes $4.8 million to carry out a highway project in Brick Township, New Jersey, to demonstrate methods of improving traffic operations and reducing accidents at a high-volume rotary intersection.

Subsection (c) authorizes $12 million for a highway project on Route 219 in the vicinity of Johnstown, Pennsylvania, to demonstrate methods by which such project enhances highway safety and economic development in an area of high unemployment.

Subsection (d) authorizes $8.5 million for a highway project to demonstrate the economic growth and development benefits of widening and improving traffic signalization of a heavily traveled segment of the Federal-aid urban system connection a community college and a large commercial center in the city of Fort Smith, Arkansas.

Subsection (e) authorizes a project to demonstrate the economic and safety benefits of constructing a grade separation between a railroad line and a highway at 21st Street in Moorhead, Minnesota, and of reconstructing two deteriorated segments of Route 2, where it passed through Fosston and Begley, Minnesota, at a combined cost of $5 million.

Subsection (f) authorizes a project to demonstrate methods of improving traffic flow on State Highway 22 between Interstate Route 75 and U.S. Route 127 in Northern Kentucky, at a cost of $20.5 million.

Subsection (g) authorizes $10 million in fiscal year 1985 and $28 million in fiscal year 1986 to carry out a demonstration project in the vicinity of the Ontario International Airport in San Bernadino County, California, to demonstrate methods of improving highway access to an airport projected to incur a substantial increase in traffic.

Subsection (h) authorizes a project to allow for the comparison of various advanced delineation techniques to enclose a gap on Route 220, which runs between Altoona and Tyrone Borough in Blair County, Pennsylvania, at a cost of $4 million in FY 85, $8 million in FY 86, $36 million in FY 87, and $42 million in FY 88. Funds authorized to carry out section 131(b) of the Surface Transportation Assistance Act of 1982 which are not needed for the construction of the project authorized by section 131(b) shall be made available to carry out this subsection.

Subsection (i)(1) authorizes $20 million in each of the fiscal years 1985 and 1986 for preliminary engineering, design, and initial right-of-way acquisition and relocation activities for 3-mile extensions of limited access highways connecting to the northern and southern termini of I-49 in Shreveport and Lafayette, Louisiana.

Subsection (i)(2) authorizes $1.3 million in fiscal year 1985 and $9 million in fiscal year 1986 for preliminary engineering and design to demonstrate the most cost-effective method of improving interstate access for passengers and cargo moving to and from the port of Miami, Florida.

Subsection (i)(3) authorizes the Secretary to carry out a project to demonstrate methods of improving highway safety and accelerating reconstruction of a two-lane segment of U.S. 71 between its junction with I-40 and I-540 in the vicinity of Fort Smith, Arkansas, and the boundary between the States of Arkansas and Missouri as a four-lane facility. Authorizations of $10 million in fiscal year 1985 and $15 million in fiscal year 1986 are provided for preliminary engineering, design, right-of-way acquisition and relocation activities in connection with the project.

Subsection (i)(4) authorizes the Secretary to carry out a project to demonstrate methods of improving highway safety and accelerating reconstruction of a two-lane segment of U.S. 71 between the boundary between the States of Arkansas and Missouri and the vicinity of Carthage, Missouri, as a four-lane facility. Authorizations for $13 million for fiscal year 1985 and $12 million for fiscal year 1986 are provided for preliminary engineering and design, utility relocation, and land acquisition and initial construction in connection with the project.

Subsection (j) authorizes $7 million in fiscal year 1985 and $7.5 million in fiscal year 1986 to carry out a highway project in the vicinity of Sanford, Florida, to demonstrate methods of reducing costs and expediting construction of an interchange in the vicinity of Route 46A and an Interstate route by contracting with a private consultant to design and construct the project.

Subsection (k) authorizes $12 million in fiscal year 1985 and $17 million in fiscal year 1986 to carry out a project in the vicinity of San Jose and Santa Clara, California to demonstrate a unified method of reducing traffic congestion where a highway intersects with two other highways on a railroad crossing in a one-quarter-mile segment.

Subsection (l) authorizes $7.2 million to carry out a demonstration project in the vicinity of the C&O Canal in the District of Columbia for the purpose of substnatially improving vehicle access at a major traffic generator without decreasing the efficiency of a Federal-aid primary highway. Georgetown University would dedicate at least 2.5 acres of land as a scenic easement.

Subsection (m) authorizes $5 million in fiscal year 1985 and $25 million in fiscal year 1986 for a highway project in the vicinity of Pardee, West Virginia, for the purpose of demonstrating the improvement in motor vehicle transportation of energy resources resulting from the completion of a consolidate network of modern highway.

Subsection (n) authorizes $2 million in fiscal year 1986 and $12 million in fiscal year 1986 for a highway project to demonstrate methods by which construction of a grade separation for a railroad crossing of a primary highway enhances urban redevelopment and the effectiveness of a planned transportation center in Modesto, California.

Subsection (o) authorizes $2 million for a highway project in Kalamazoo, Michigan, to demonstrate the benefits of cooperation between the private sector and the government in relieving traffic congestion caused by a railroad crossing a highway through construction of an automobile overpass.

Subsection (p) authorizes $3.5 million to carry out a highway project to demonstrate the advantages of joint development and use of air rights in the construction of a deck over a depressed portion of I-93 in East Milton, Massachusettes.

Subsection (q) authorizes $10.5 million in each of the fiscal years 1985 and 1986 for a highway project in the vicinity of Fairhope and Foley, Alabama, to demonstrate methods of accelerating the widening of a high volume segment of a primary highway necessary for rapid evacuation of individuals during emergency weather conditions.

Subsection (r) authorizes $9 million for a highway project in Campbell County, Kentucky, to demonstrate the economic benefits to a port facility, industrial complex, and foreign trade zone, and methods of enhancing highway safety, by reconstruction of a two-land segment of Kentucky Route 9 connecting Interstate 75 with a port facility as a four-lane highway.

Subsection (s) authorizes $5 million to carry out a highway project to demonstrate the safety benefits of providing additional and improved vehicular passing opportunities on, adding truck climbing lanes to, and straightening, a 50-mile segment to Route 20, in Jo Daviess and Stephenson Counties, Illinois.

Subsection (t) authorizes $1 million in FY 85, $2 million in FY 86 and $3 million in FY 87 to eliminate an at-grade rail-highway crossing on Basin Street in Allentown, Pennsylvania, and to replace it with a separate crossing. Currently, 26 trains a day cross Basin Street, a major thoroughfare traveled by over 20,000 cars daily. This project shall be carried out in such a way as to reduce traffic delays for both rail and motor vehicle traffic and to minimize the impact on the surrounding urban environment.

Subsection (u) authorizes $5 million in fiscal year 1985 and $7 million in fiscal year 1986 for several highway projects in the vicinities of Pontiac, and East Lansing, Michigan, to demonstrate methods of enhancing safety and promoting economic development by constructing grade separations and widening a Federal-aid primary route and on Federal-aid urban highways.

Subsection (v) authorizes $4 million in FY 85 and $5 million in FY 86 for a highway project to demonstrate methods of improving safety on Highway 86 in Riverside County, California, designated as a priority primary route.

Subsection (w) authorizes $4 million in fiscal year 1985 and $4 million in fiscal year 1986 for a highway project to demonstrate methods of improving highway safety and traffic flow by widening and upgrading a priority primary route in Osceolo County, Michigan.

Subsection (x) authorizes improvements to Fuhrmann Boulevard, an access road which parallels Lake Erie along the outer harbor in the City of Buffalo. This project is designed to demonstrate methods of stimulating the reuse of Buffalo's waterfront by construction of a new connector off Buffalo's central business district and will foster new regional recreational, residential and commercial development. Authorization for this project is $12.5 million.

Subsection (y) authorizes $3.5 million in fiscal year 1985 to carry out a highway project in the Tremont area of Cleveland, Ohio, to demonstrate how cost-effective investment in the transportation infrastructure needs of a neighborhood can help revitalize that neighborhood.

Subsection (z) directs the Secretary to carry out a project for the construction of a bridge to cross the Tennessee River in Lauderdale and Colbert Counties, Alabama, in the vicinity of Patton Island between O'Neal Bridge and Wilson Dam, for the purpose of demonstrating methods of improving highway transportation and enhancing economic development. Authorizations of $10 million are provided for this project.

Subsection (aa) directs the Secretary to carry out a highway project in the vinicity of Huron, Ohio, for the purpose of demonstrating methods by which construction of a bypass on Route 2 around the city providing access to an amusement park in Erie County, Ohio will enhance highway safety and economic development in an area of high unemployment. Authorizations for $15 million are provided for the project.

Subsection (bb) directs the Secretary to carry out a project for the replacement of the Division Street Bridge over the North Branch of the Chicago River in Chicago, Illinois, demonstrating the costs savings to be obtained by use of a nonconventional design providing a fixed-span bridge capable of rapid conversion to a moveable bridge, at a cost of $12 million.

Subsection (cc) directs the Secretary to carry out projects for the purpose of demonstrating methods of protecting roadways against damage and destruction due to wave erosion by such techniques as broadening the highway base, raising the highway elevation and providing protection against such erosion. Such projects involve a 10-mile segment of Frenchglen Highway, a six-mile segment of Steens Highway, and seven-mile segment of Narrows-Princeton Road, all in Harney County, Oregon, in a closed-base basin area where flooding has become a problem as a result of increased runoff and reduced evaporation rates. Authorizations of $4 million are provided for these projects.

Subsection (dd) directs the Secretary to carry out two highway projects for the widening and resurfacing of Northline Road and Ecorse Road in Wayne County, Michigan, to demonstrate the contributions which such improvements can provide in terms of safety and economic vitality in a depressed area characterized by both industrial and residential activity; an authorization of $3.9 million is provided for this project.

Subsection (ee) authorizes a total of $12 million to demonstrate the benefits of carrying out the following project in Cook County, Illinois: reconstruction of portions of Crawford Avenue between the Midlothian Turnpike and 148th Street to complement a Soil Conservation Service flood control project; widening and resurfacing of La Grange Road from Plainfield Avenue to I-55 in the western portion of the County, giving special consideration to perservation of an adjacent historic district and minimizing infringement on a forest preserve traversed by the highway; and resurfacing of a portion of Grand Avenue in the northwestern portion of the County, enabling it to absorb substantial traffic diverted as a result of reconstruction of the Eisenhower Expressway.

Subsection (ff) authorizes the Secretary to carry out a project for the relocation of the terminus of the Lockport Expressway (I-990), two miles from its present location at North French Road and construct an interchange at is new terminus at Millersport Highway, in Erie County, New York, to demonstrate methods of enhancing highway safety and reducing traffic congestion and delays at the terminus of an Interstate route, at a cost of $15 million

Subsection (gg) requires the Secretary to furnish Congress reports on the projects carried out under this section.

Subsection (hh) provides authorizations for the demonstration projects contained in section 112.

Subsection (ii) provides contract authority for the projects authorized in section 112, and with one exception, provides that the Federal share of project cost shall be 100 percent.

Section 113—Project Eligibility

Section 113 provides that a project on the Interstate System in Boston, Massachusetts for the depression of the Central Artery shall be eligible for construction with Interstate construction funds, as will a third harbor tunnel consisting of four lanes. The cost to complete such projects shall be included in the 1985 Interstate Cost Estimate and any other ICE submitted to the Congress by the Secretary.

Section 114—Donation of Land

Section 114 provides that the value of any lands that are donated or dedicated to the State of California for the construction or relocation of State Route 73 between I-105 and I-5 in Orange County shall be credited toward the non-Federal share of such project. The remainder shall be credited to the non-Federal share of other projects in five California counties.

It is anticipated that the Route 73 realignment and extension may be constructed in phases. It is therefore the intent of the Committee that any excess credit accumulated as a result of the donation of the right-of-way for initial phases of the project be applied first to subsequent project phases. Excess credit can be applied to other projects in the region only after determination by the California Transportation Commission that the value of the right-of-way donation satisfies the non-Federal share of the full Route 73 project as described in the environmental impact statement for the project.

A project such as this one can have considerable impact on the municipalities benefitting from the transportation improvements provided. The Committee therefore believes that such municipalities, including certain cities located along the coastline, should have their views with respect to project alignment and design taken into account through the environmental assessment process, consistent with the fundamental objectives of the highway project.

Section 115—Planning, Design, and Construction

Section 115 provides that the State of Arkansas may use Interstate System funds apportioned to it for the planning, design and construction of U.S. 71 in Arkansas from I-40 to the Missouri line as a four-lane facility. Since Arkansas is one of several States receiving the minimum one-half of one percent of Interstate System authorizations provided by law, the effect of this provision is to place this project on an equal footing with Interstate 4R work in the use of the State's apportionment.

Section 116—Exemption From Right-of-Way Restriction

Section 116 authorizes the continued operation of a duty-free liquor store owned by the Can-Am Warehouse Company, located in part on the right-of-way of Interstate Route 94 in Michigan in the vicinity of the interchange of I-94 and Michigan State Route 25, in the Port Huron area. Expansion and renovation of the Blue Water Bridge Plaza have brought the facility under the provisions of section 111 of title 23, United States Code, which prohibits certain commercial establishments on right-of-way on the Interstate System, creating the need for this amendment to permit continued operation of the facility.

Section 117—Richmond-Petersburg Turnpike

Section 117 authorizes the State of Virginia to return to the U.S. Treasury any Federal-aid highway funds spent for construction of interchanges or connections to the Richmond-Petersburg Turnpike pursuant to an agreement under section 129(d) of title 23 and section 131 of the Federal-Aid Highway Act of 1970, and thereby be relieved of any restrictions in such agreement pertaining to the imposition or collection of tolls on the Turnpike. The repaid amounts shall be credited to the unobligated balance of Interstate construction funds.

Section 118—Use of Certain Reports as Evidence

Section 118 prohibits the introduction into evidence of any priority listing of roadside or rail-highway crossing hazards prepared pursuant to section 152 of title 23, U.S. Code (hazard elimination), and section 203 of the Highway Safety Act of 1973 (Rail-Highway Crossings). This is to encourage greater accuracy and completeness in the compilation of such lists, by preventing these lists from being used in any judicial proceeding, thereby improving their quality as a basis for programming.

Section 119—Rail-Highway Crossing Needs Study

Section 119 authorizes a comprehensive study and investigation of national rail-highway crossing improvement and maintenance needs. Not later than 2 years after date of enactment, the Secretary shall submit a report to Congress on the results of the study along with recommendations on how those needs can best be addressed on a long-term and continuing basis in a cost-effective manner.

The study called for in this section is not intended in any way to affect any pending legislation requiring the Secretary of Transportation to promulgate regulations to ensure the safe maintenance, inspection and testing of signal systems and devices at the rail. Such legislation is designed to require the signal systems and devices at the crossings to be kept in a safe condition once they have been installed. The study required by this section, on the other hand, is primarily concerned with the long-term needs and responsibilities of Federal, State and local authorities relating to rail/highway grade crossings.

Section 120—Interest on Bonds

Section 120 deletes a restriction in section 115 of title 23, U.S. Code, which limits Federal payment for interest on bonds issued in connection with any advance construction Interstate project under construction on January 1, 1983, and substitutes in lieu thereof a provision to permit Federal reimbursement for bond interest in connection with any advance construction Interstate project on which the proceeds of bonds were used or will be used, subject to certain limitations.

Section 121—Interstate 4R Formula

Section 121 changes the Interstate 4R formula from one which apportions funds 55 percent on the basis of Interstate lane miles and 45 percent on the basis of Interstate vehicle miles traveled (with no State receiving less than ½ percent of the total amounts apportioned) to a formula which apportions funds 50 percent on the basis of Interstate vehicle miles traveled, 25 percent on the basis of gasoline consumption, and 25 percent on the basis of diesel fuel consumption.

The Committee believes that the Interstate 4R formula should be usage-based. The current formula is only partially usage-based by inclusion of vehicle miles traveled. While lane miles may be an adequate reflection of the size of the system, it does not address the condition of the system or the amount of usage. The proposed formula is totally usage-based in that it includes vehicle miles traveled and fuel consumption. Diesel fuel consumption is a particularly important factor in that it indicates the amount of truck travel over a State's Interstate system.

Section 122—Connecticut Demonstration Projects

Section 122 authorizes $3,850,000 for three highway demonstration projects in the State of Connecticut: The use of the latest construction techniques in reconstructing Old Turnpike Road in the vicinity of Southington; modifying the horizontal and vertical alignment of Main Street south of Kent Center to demonstrate methods of solving safety and flooding problems; and the use of the latest construction techniques in reconstructing Brainard Road in the vicinity of U.S. Route 5 and North Maple Street in Enfield.

Section 123—Availability of Interstate Reconstruction Funds

Section 123 earmarks $5 million per year for each of the fiscal years 1985, 1986, and 1987 from the apportionment of the State of Illinois for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System under section 104(b)(5)(B) of title 23, United States Code, for use on the Chicago Skyway.

Section 124—Substitute Highway Project

This section would direct the Secretary to make available $6.7 million in FY 1985 discretionary Interstate transfer highway funds to the State of Iowa to carry out a highway substitute project on U.S. 6 in Council Bluffs, Iowa. Such an amount would not be deducted from the Interstate transfer entitlement attributable to the withdrawal of I-85 in Omaha, Nebraska.

Section 125—Cost Effectiveness Study

Section 125 authorizes $1 million for a study to determine the cost-effectiveness of upgrading Route 219 in Pennsylvania to Interstate standards, the feasibility of partial financing with toll revenues, of using reclaimed strip mining lands for the project, and avoiding encroachment on sensitive environmental areas. The Secretary is directed to submit a report to Congress on the results of the study along with any recommendations within one year of the date of enactment.

Section 126—Feasibility Study

Section 126 authorizes $75,000 for the Secretary to carry out a feasibility study on work which can be undertaken to immprove the safety, capacity and operational characteristics of the Theodore Roosevelt Bridge on I-66 connecting Virginia and the District of Columbia. The Secretary is directed to report to Congress on the study's findings and recommendations within 90 days after enactment.

Section 127—Interstate Discretionary Eligibility

This section permits certain Interstate segments under construction on the date of enactment of the Surface Transportation Assistance Act of 1982 to receive high priority for Interstate discretionary funds when such segments have two or more Interstate routes on a common alignment. This section puts such segments on an equal footing with high cost Interstate gaps and is intended to apply to a project in Atlanta, Georgia.

Section 128—Highway Electrification

Section 128 directs the Secretary of Transportation to make a grant to the California Transportation Commission in order to continue ongoing efforts studying the feasibility of roadway powered electrification technology as a source of energy for highway and transit vehicles. A total of $2.9 million is made available for this grant in two equal installments of $1.45 million and requires no State or local matching funds.

The Committee is aware of the work under way in Santa Barbara with a combination of local, State and UMTA funding. Development of highway electrification for a transit application has been underway on the Santa Barbara project since 1979, with the funding totalling $4.6 million to date. The Santa Barbara project has become the focus of U.S. development efforts in this field with construction of the operational system slated for 1986.

Section 128 creates FHWA Research and Development funding in order to complement the existing program and provide a stronger automobile/highway orientation to the technology development. The California Transportation Commission, as the recipient agency, will have lead responsibility on this project. However, after the award of contracts for the execution of this research and development effort, it is the Committee's intent that all such contracts be administered by the California Department of Transportation (Caltrans). It is not the Committee's intent to authorize the Commission to undertake efforts that are normally the responsibility of Caltrans, except for the award of contracts under this section. This research and development program will be carried out in a collaboration between the FHWA, UMTA, the Commission, and Caltrans. It is the Committee's intent that the Commission will contract with the Southern California Association of Governments (SCAG) and other public and private agencies for execution of certain parts of this research and development effort. It is anticipated that SCAG will receive a total of $900,000 over a two-year period in order to execute an area-wide study of highway electrification in the Southern California Region to assess impacts on energy use, petroleum displacement and air quality, to examine the implications of electrification on automation in the automobile/highway system, and to address other long-term planning issues relevant to automobile use. SCAG has been studying these technologies for the past several years and is a logical recipient of these study funds from the Commission on the basis of interest and need.

Similarly, the Commission should engage firms experienced with this technology, in the amount of $2 million over the two-year period, so as to maximize the benefits of their prior work. It is the Committee's understanding that this $2 million development effort will expand system test facilities currently planned for Caltrans in the Southern California Region.

The Committee urges the FHWA to expedite the obligation of funds to the Commission in order that the research and development effort authorized under this section may complement work ongoing in Santa Barbara.

Section 129—Rail-Highway Demonstration Project

Section 129 provides for a demonstration project in the Northeast for the systematic inspection and service of protective devices at rail-highway crossings over which the Consolidated Rail Corporation operates. The demonstration project is to reimburse the Consolidated Rail Corporation for 50 percent of the cost it incurs for the inspection and servicing of such protective devices for 2 years at not more than $4.5 million each year. The successful implementation of this demonstration project will provide important data for the section 119 study and could serve as a model for the rail-highway crossing program after the existing section 203 funds expire at the end of fiscal year 1986.

Each of the States which participate in this demonstration project under this section shall report to DOT by December 30, 1986, the results of such projects and the effectiveness of such projects in improving the safety at rail-highway crossings. The Secretary shall submit a report to the Congress no late than April 1, 1987 of the same nature.

Section 130—Transfer of HOV Lanes

Subsection 130(a) provides that the costs included in the 1983 Interstate Cost Estimate for high occupancy vehicle (HOV) lanes on the Harbor Freeway in Los Angeles are to remain eligible for Interstate construction funds and that the cost to complete such HOV lanes are to be included in any future Interstate Cost Estimate unless such lanes are transferred under subsection (b).

Subsection (b) authorizes the transfer of amounts included in the Interstate Cost Estimate for HOV lanes on the Harbor Freeway to other fixed guideway construction on or adjacent to the Harbor Freeway, except that funding for such fixed guideway projects shall come from general revenues of the Treasury. Provisions of section 103(e)(4) of title 23, United States Code, shall generally apply, except that the requirement to approve any withdrawals and substitute projects by September 30, 1983, and the prohibition against withdrawal of certain statutorily designated segments shall not apply. The Federal share of the substitute project shall be as provided by section 120(c) of title 23, United States Code.

The deadline of September 30, 1986, when substitute projects must be under construction or under contract for construction, is extended two years in the case of a transfer of HOV lanes authorized by subsection (b).

Section 131—Buy America

This section reinstates cement under the Buy America provision of the Surface Transportation Assistance Act of 1982 as regards all foreign cement produced in North America.

This section also increases the domestic content requirement from 50 percent to 85 percent for rolling stock acquired under the Urban Mass Transportation Act which is manufactured or assembled at a facility which was not manufacturing or assembling buses or other rolling stock during the first half of calendar year 1984.

The practical effect of this provision is that rolling stock manufacturers that are already producing, or will produce buses and other rolling stock during the first half of calendar year 1984, must continue to meet the 50-percent domestic content requirement. New entrants into the rolling stock market after the first half of calendar year 1984 will have to meet the higher domestic content standard of 85 percent.

The Committee has taken this action because of its concern that there is existing overcapacity in the rolling stock manufacturing industry. Further entrants into this market would exacerbate the problem of overcapacity and lead to a loss of further jobs in the domestic rolling stock industry. The Committee also notes that foreign countries with rolling stock manufacturers typically have domestic preference requirements which exclude American manufacturers from selling in those countries.

Section 132—Flexibility of Use of Highway Funds

This provision will grant Puerto Rico a similar degree of flexibility as that accorded the State of Alaska. This flexibility will allow Puerto Rico to use funds from the different program categories to suit its particular highway needs and priorities, allowing the Commonwealth of Puerto Rico to expand and upgrade its infrastructure in order to attain stateside levels.

Section 133—Study of Highway Expenditures, Revenues and Relative Needs

Section 133 authorizes a study to examine the intrastate, not the interstate, distribution of Federal Highway Trust Fund receipts and expenditures. The principal purpose of the study is to provide information which is currently unavailable but is required to determine county-level (or equivalent) patterns of distribution of Federal highway use tax collections and expenditures among predominantly rural and predominantly urban areas. Predominantly rural counties (or equivalent political subdivisions) are defined as those with populations of less than 50,000 outside of metropolitan statistical areas designated by the Office of Management and Budget as of January 1, 1984.

The Department of Transportation, directly or through the state highway agencies, shall collect and compile for each county (or equivalent governmental subdivision) data indicating the amount of Federal motor fuel use taxes paid within each of said local jurisdictions. Such data shall be collected and presented separately for each of the Federal fiscal years 1979, 1980, 1981, 1982 and 1983. The Department of Transportation also shall directly or indirectly collect and compile for each county (or equivalent) data indicating the amount expended under each Federal-aid highway program within each of said local jurisdictions during the Federal fiscal years 1979, 1980, 1981, 1982 and 1983.

For each state, the data collected and compiled for each county within the state shall be presented to the Congress in terms of the absolute amounts paid into the Trust Fund and expended under each Federal-aid highway program. In addition, the urban and rural proportions of such payments into the Trust Fund and expenditures from Federal-aid programs shall be provided for each state. Such urban-rural proportions shall be presented in both absolute and percentage terms. Also, for the predominantly rural counties, the expenditures from Federal-aid highway programs in each county shall be compared to established indices of highway needs for each county and for the respective state.

Section 134—Planting of Native Wildflower Seeds and Seedlings

Section 134 requires that the Secretary approve the planting of native wildflower seeds and seedlings as part of any landscaping project carried out under Title 23, United States Code, and requires the use of at least one quarter of one percent of the funds expended for landscaping for such planting. The Secretary can waive this provision in cases where its application would be inappropriate. This provision is an outgrowth of experience in the State of Texas, indicating that such planting can yield substantial savings in the form of reduced mowing costs and less need for watering.

Section 135—Study of Apportionment Formulas

Section 135 requires the Secretary of Transportation to conduct a study of the apportionment and allocation of Federal financial assistance made available to the States out of the Highway Trust Fund (other than the Mass Transit Account) for substitute highway and transit projects under the Interstate transfer provision, the Federal-aid primary system, the Federal-aid secondary system, the Interstate System, Interstate System reconstruction, bridge rehabilitation and replacement, hazard elimination, minimum allocation, and the railroad crossing program. Such study is to determine whether such funds are being apportioned and allocated equitably, taking into account relative needs of the States and relative amounts of taxes generated within each State and paid into the Highway Trust Fund for highway purposes.

Section 136—Bridge Formula Study

Section 136 requires the Transportation Research Board of the National Academy of Sciences to submit to Congress a report on the effects of the bridge formula contained in section 127 of title 23, United States Code, specifying axle loading and axle spacings necessary to protect Interstate highway bridges within the overall gross vehicle weight prescribed by law. The report is to include assessments of costs and benefits of existing law as well as alternative means of achieving the same purposes, in terms of costs and benefits to business, government and the general public. The Committee intends that the study focus particularly on the problems of compliance associated with short-wheelbase vehicles used for heavy hauling in such industries as construction and solid waste collection; this is transportation activity in which configuration of longer vehicles with additional axles does not appear feasible in view of the need for vehicles to maneuver through relatively narrow streets. The study also should take into account the types, and their load-bearing characteristics, of most bridges found on the Interstate System. This provision does not modify either the bridge formula in existing law or the provision of section 127 grandfathering in all axle loadings on groups of two or more consecutive axles which States determine to have been lawful on the date of enactment of the Federal-Aid Highway Amendments of 1974.

Section 137—Environmental Impact Statement

Section 137 authorizes such sums as necessary for the Secretary of Transportation to prepare an environmental impact statement concerning the addition of highway capacity in the Richmond-Willowbrook corridor of Staten Island, New York.

Section 138—Addition of Planning as a Fundable Item Under Minimum Allocation

Section 138 allows States to expend half of one percent of their minimum allocation funds (Section 157) on transportation planning in urban areas (Section 134) and allows states to expend one and a half percent of their minimumn allocation funds (Section 157) on research and planning (Section 307).

Section 139—Feasibility Study of Flood Prevention Methods

Section 139 authorizes the Secretary to conduct, in consultation with appropriate Federal agencies and in cooperation with the State of Texas, a feasibility study of methods to prevent flooding and improve the safety and operational characteristics of Interstate 45 between Galveston and Huston, Texas, during servere weather.

Section 140—Engineering and Environmental Study

Section 140 authorizes $100,000 for engineering and environmental studies for Highway 11 in Minnesota, which would connect Aurora and Hoyt Lakes, on the Mesabi Iron Range, with Silver Bay on the North Shore of Lake Superior. The absence of a direct link between the Iron Range and the North Shore forces commercial, tourist and other traffic to detour 150 to 160 miles, from the Iron Range to Duluth and back up the shore of Lake Superior. The Funds authorized in this section will permit completion of the necessary studies. The road, when completed, will provide vital impetus to the economic recovery of Northeastern Minnesota, improving tourism and permitting expansion of the timber industry.

TITLE II

Section 201—Short Title

Section 201 provides that Title II may be cited as the "Federal Mass Transportation Act of 1984."

Section 202—Letters of Intent; Multi-Year Contracts

Section 202(a) would amend section 3(a)(4) of the UMT Act to provide multi-year contract authority for certain long-term projects. The existing "letter of intent" concept would be deleted and replaced by a "multi-year contract" concept, but the procedural process would remain essentially the same as under current law. Thirty days advance notice of any such contract to the Committee on Public Works and Transportation of the House and the Committee on Banking, Housing, and Urban Affairs of the Senate would continue to be required. Moreover, as under existing law, the amount stipulated in a multi-year contract to carry out a fixed guideway project must be sufficient to complete an operable segment. As in current law, an operable segment for the purpose of this section may be greater or lesser than a minimal operable segment defined in a project Environmental Impact Statement drafted pursuant to the National Environmental Policy Act. Should additional funds become available for a project, it may be committed as an addition to an operable segment. In addition, the amounts that may be made subject to a multi-year contract by the Secretary under this section for projects authorized by section 21(a)(2)(C)(i), (ii), (iii) or (iv) cannot exceed the total available authorizations made available therein, less an amount reasonably estimated by the Secretary to be necessary for grants under section 3 which are not covered by multi-year contracts or letters of intent which have been entered into before October 1, 1984. Other commitments for funding which have been made prior to May 9, 1984, contingent upon subsequent, and as of that date, unmet preconditions, shall not be considered as committing funds when the Secretary determines under this section the amounts available for multi-year contracts. The Committee does believe that such commitments should be honored when practicable after such time that the recipient comes into compliance with conditions upon which the commitment was made and requests funding under that commitment.

The significant change under this section is that the Secretary would be able to enter into multi-year contracts that would obligate funds for fiscal year 1985 and take the first step in obligating funds from future year authorizations. Obligation of funds for fiscal year 1986 and future fiscal years is subject to annual Congressional review and approval of the Secretary's actions under section 203. Such a contract shall not be subject to any future availability of funds (except for the limitation relating to the amounts nescessary to cover projects other than those covered by multi-year contracts, approved allocations under section 203 for fiscal year 1986 and subsequent fiscal years, the anti-deficiency provision in the transit account of the Highway Trust Fund, or any obligation limitation other than as set forth in section 21(a)(2)(F)).

In years other than FY 1985, funds are not available to finance grants and loans, until the process provided for undet section 3(i)(2) is completed with the enactment of a public law. Annually, it is the intent of the Committee regarding multi-year contracts that funds can be obligated for a fiscal year only to the extent authorized for such fiscal year.

Section 202(b) would provide that this section shall take effect October 1, 1984, and shall not affect any letter of intent issued before that date.

The Committee intends that multi-year contract authority made available under this provision be used to enhance transit capital investment nationwide. Therefore, in utilizing this authority, the Secretary should give equal consideration to all section 3 applicants. To the extent possible, the historic share of section 3 funds distributed within a region should be used as guidance in the distribution of rail modernization funds. The Committee does not intend for this multi-year contracting authority to be used by any recipient as a means of obtaining an inequitable share of section 3 funds. The Committee does not believe it is inequitable to increase, decrease, or exclude funding for a project if such increase, decrease, or exclusion is based upon objective criteria.

Section 203—Approval of Funding Levels and Allocation of Funds

Section 203 provides for an annual process that, except for FY 1985, must be undertaken before any funds authorized by section 3 of the UMT Act may be made available. As soon as practicable, and by July 1, 1985, and July 1 of each year thereafter, the Secretary shall submit to the House Committee on Public Works and Transportation and the Senate Committee on Banking, Housing and Urban Affairs a proposal recommending the amounts under section 21(a)(2)(C)(iv) that should be made available for bus and bus-related activities, rail modernization, and the construction and extension of fixed guideway systems. Included in this transmittal shall be recommendations on amounts to be distributed among applicants for rail modernization and fixed guideway construction and extension projects. The Secretary's transmittal must reflect any multi-year contracts entered into under section 3(a)(4) of the UMT Act, and for new starts and extensions, must be consistent with criteria established by section 205.

No funds may be made available under section 3 unless Congress acts upon, and the President approves, legislation relating to the Secretary's proposal. The legislation may allocate funds in a manner identical to that recommended by the Secretary, or may revise the distribution which was submitted.

Upon approval by law of the funding allocation passed by Congress, the Secretary shall make the legislated amounts available for the fiscal year approved and in a manner consistent with such law.

The Committee believes that there may not be sufficient time prior to the beginning of FY 1985 to complete the process required in other fiscal years by this section. Therefore, for FY 1985, the Secretary shall allocate and make available funds authorized under section 3 in a manner that is consistent with all other applicble provisions of this legislation.

Section 204—Advance Construction

Section 204 would provide advance construction approval authority to the Secretary under sections 3 and 9 of the UMT Act. This would be similar to the advance construction authority now available under the Federal highway program. Currently applicants for UMT capital assistance cannot be reimbursed by the Department for costs incurred on a project before the project is approved by the Secretary or before the Secretary permits the recipient to incur costs.

Section 204(a) would amend section 3 of the UMT Act to permit applicants to be reimbursed for the Federal share of costs incurred locally on a project if the Secretary approves the project before costs are incurred and the project locally complies with all relevant Federal requirements. In addition, eligible costs may include interest earned and payable on local bonds if the proceeds of such issuances were applied to the project. To be eligible for reimbursement, such interest costs may not exceed the excess of the cost of the project at the time Federal reimbursement is sought over the project's actual cost.

Under section 204(a), the Secretary's advance construction approval does not mean that Federal funds must eventually be applied against the project. Rather, it means that local costs incurred remain eligible for Federal reimbursement if the Secretary decides to fund the project.

Section 204(b) would provide similar advance construction approval authority to the Secretary for the section 9 formula grant program. Under this section, the recipient must first have obligated all of its section 9 apportioned funds before it may seek advance construction approval for capital projects. In addition, the Secretary may grant construction approval only if an authorization is in effect for the future fiscal year at issue, and the advance construction authority granted may not exceed the recipient's expected apportionment under that future year authorization. Costs eligible for reimbursement under this section include bond interest costs incurred in connection with the project, subject to the same limitations applicable under section 3 provision.

Section 205—New Fixed Guideway Criteria

Section 205 amends section 3 of the UMT Act by adding a new subsection (k) relating to new fixed guideway or new extension projects.

Requests for Federal funding for new fixed guideways projects—or new extensions to existing systems—will be subject to careful evaluation by the Secretary and the Congress. Because it is expected that requests for funding of such projects will greatly surpass amounts available, it is essential that sensible criteria be utilized to determine which of the projects are most deserving of Federal investment. Once determined, those projects should receive funding. New fixed guideways or extensions should be funded only if it is determined that, based on the results of alternatives analysis and preliminary engineering, the project is cost-effective and is supported by an acceptable degree of financial commitment from sources other than section 3 of the UMT Act, including evidence of stable and dependable funding sources to construct, maintain and operate the proposed project, together with the remainder of the transit system in the urbanized area.

In determining a project's transportation cost-effectiveness, effectiveness should be measured in terms of both the potential to attract new transit riders and the potential for reducing the travel time of existing riders. Moreover, a project's cost should include discounted operating and maintenance costs in addition to discounted total capital expenditures. The cost and effectiveness measures so defined should be used to compute cost-effectiveness indices expressed as marginal costs per new transit trip. Marginal costs and new ridership should be estimated relative to a future base condition. That base condition should correspond to the optimal utilization of existing transit and highway facilities through low-cost transit service, traffic engineering and other improvements.

In addition to a "total cost" index, project cost effectiveness indices using the same marginal cost approach should also be computed on the basis of requested Federal section 3 expenditures and, to the extent feasible, State and local expenditures and private expenditures. The Committee believes that the utilization of benefit assessment districts should be encouraged by these criteria, as such districts provide an assured base of private capital. The certainty of these funds, and their private sector origin are both to be desired.

The Committee recognizes that a project is developed essentially in five sequential phases: system planning, alternatives analysis, preliminary engineering, final design and construction. A project should be reviewed under the new starts criteria and may be selected for advancement at the conclusion of alternative analysis. The Committee expects that a low-rated project will not be advanced into preliminary engineering. Other projects may proceed into preliminary engineering, but all projects will be reviewed and rated according to the criteria at the completion of preliminary engineering. A decision to allow an agency to proceed with preliminary engineering does not indicate any commitment by the Federal government with respect to construction. It is possible that an area may spend Federal funds or other funds for preliminary engineering and yet not be chosen for a final funding commitment due to their lower rating compared to other projects or the limited availability of funding.

The Committee directs the UMTA not approve multi-year contracts or grants for fixed guideway projects when the Federal share of a project would exceed the uncommitted balance under the fixed guideway new start and extensions activity of the Discretionary Grant category. The uncommitted balance is considered that amount of funding currently authorized, less existing letters of intent, full-funding contracts, multi-year contracts and grant obligations. Any such commitment which has been predicated upon some subsequent and as yet unmet conditions, shall not be considered as a commitment of funds when determining the amounts available for grant or multi-year contract purposes. At such time as the recipient has come into compliance with the preconditions, the commitment should be honored by UMTA when practicable.

With respect to the degree of non-Federal financing, the Committee recognizes that a number of cities will be competing for a limited amount of funding. Thus, the willingness of an area to request a smaller share of the cost of a project under this section will be taken into consideration, as this will obviously increase the cost-effectiveness of section 3 funds. In addition, to differentiate among closely competing projects, the Department should consider factors relating to an area's ability to have stable and reliable sources of funds to maintain and operate the proposed system once it is built.

The guidelines developed by the Secretary should also take into account other factors, such as the economic development effects of the project, the opportunity for joint development of project components, a concept the Committee believes Federal policy should encourage, the degree of community and local government support, and participation of disadvantaged business enterprises when evaluating projects which are closely rated in terms of cost-effectiveness.

Section 206—University Transportation Centers

Section 206 would create contract authority to fund the university transportation centers program authorized under section 11(b) of the Urban Mass Transportation Act. For each fiscal year from FY 1985 through FY 1987, section 206 would provide $5,000,000 from the Mass Transit Account of the Highway Trust Fund and $5,000,000 from the Highway Trust Fund other than from the Mass Transit Account. These amounts would not be subject to any obligation limitations.

Section 206 also amends section 11(b) to provide more explicit criteria which a recipient of funds must meet. Further, it establishes a national advisory council to coordinate research carried out by grant recipients, to disseminate results of the research, to act as a clearinghouse between grant recipients and the transportation industry, and to review and evaluate programs carried out by grant recipients.

The Committee notes that, while there will be one transportation center within each region, the grant applicant may consist of more than one institution of higher learning. In fact, to maximize the resources of each regional center, a consortium approach is encourged. For purposes of meeting the 50-percent non-Federal matching requirement, the total of the pooled resources of each institution in a consortium shall be counted.

Section 207—Substitute Projects

Section 207 would provide authorization levels for the Interstate transfer-transit program. Once funds under this program are appropriated, an action which is required for this non-contract authority program, half are made available on the basis of a formula and half are available at the discretion of the Secretary. The formula funds may be made available only after Congress has approved the Interstate substitute cost estimates. This section would change current law by deleting the existing authorizations for fiscal year 1985 ($390,000,000) and fiscal year 1986 ($400,000,000) and replacing them with "such sums as may be necessary" in order to accommodate funding level changes that may occur as a result of decisions made with respect to future Interstate route withdrawals.

Section 208—Alternative Bus Projects

Section 208 would amend section 5(a)(3)(A) of the UMT Act to permit an urbanized area to use Tier III section 5 funds for bus and bus-related activities if that urbanized area has been apportioned funds under Tier III but has no commuter rail or fixed guideway service in operation or attribute to it. Due to the delay between the reporting of apportionment factors for Tier III by urbanized areas and the actual apportionment of funds by UMTA, a situation has arisen where an urbanized area receives a Tier III apportionment which it cannot use because it no longer operates commuter rail or fixed rail service. This amendment would alleviate the problems caused by this delay by allowing affected urbanized areas to use Tier III funds for bus and bus-related expenses.

Section 209—UMTA Technical Amendments

Section 209 would make several technical amendments to the Urban Mass Transportation Act and the Surface Transportation Assistance Act of 1982.

Section 209(a)(1) would correct a typographical error by substituting "approval" for "approach" in section 5(h)(1) of the UMT Act.

Section 209(a)(2) would correct another typographical error by substituting "section" for "action" in section 5(j)(1) of the UMT Act.

Section 209(a)(3) would correct section 5(o) so as to provide for the recycling in the section 9 formula program of all section 5 funds after the period of their availability to urbanized areas under section 5. These funds would be recycled under section 9 if they are unobligated as of October 1, 1985 or deobligated after that date.

Section 209(a)(4) would correct section 9(l)(3) of the UMT Act by substituting "1984" for "1983", and thereby removing a requirement for the Secretary to consider a non-existent apportionment under section 9.

Section 209(a)(5) would redesignate a second section 16(c) in the UMT Act as section 16(d).

Section 209(a)(6) would remove an unnecessary "; and" in section 17(d) of the UMT Act.

Finally, section 209(b) would remove an unnecessary "(a)" in section 303 in the Surface Transportation Assistance Act of 1982.

Section 210—New Urbanized Area Apportionments

Section 210(a) would amend the language in section 9(k)(2) of the UMT Act to establish operating assistance limitations for new urbanized areas, i.e., urbanized areas that became urbanized for the first time under the 1980 census, on the basis of section 9 authorized funding levels instead of on the basis of actual appropriations for section 9.

Section 210(b) would make a corresponding change to the discount/transfer provision as it applies to new urbanized areas.

In accordance with section 210(c), subsections (a) and (b) would become effective after September 30, 1984.

Section 211—Trade-in for Operating Assistance

Section 211(a)(1) would extend through FY 1986 the provision authorized under section 9(l) of the UMT Act which permits section 9 recipients to trade-in 3 dollars of that portion of their section 9 apportionment that can only be used for capital expenses for 2 dollars of operating assistance.

Section 211(a)(2) would amend the existing requirement for recipients which avail themselves of the trade-in provision to certify that they will not need to use and will not use capital assistance for operating assistance in FY 1985. Under section 211(a)(2) recipients would certify that they would not need to use capital assistance for operating assistance after FY 1987.

Section 211(a)(3) would limit the uses of the discretionary funds that the Secretary receives as a result of the trade-in provision to capital bus and bus-related activities.

Section 211(a)(4) would amend language in section 9(l)(3) to correspond to the amendment provided in section 211(a)(3).

Section 211(a)(5) would amend section 9(l) to restrict the ability of a recipient to use the trade-in provision in any fiscal year in which it receives a section 3 discretionary capital grant. Under secton 211(a)(5), a recipient which receives a section 3 grant could only carry out a section 9(l) transfer if the section 3 grant was for emergency repairs, made pursuant to a letter of intent or full funding contract which predates the enactment of section 211(a)(5), or is for a project which has a high priority on the plan prepared by the Secretary for allocation of section 3 funds in the year the transfer occurs. Section 211(a)(5) provides further that any recipient of funds which carried out such a transfer of funds in FY 1983, and which received Federal assistance under section 1139(b) of the Omnibus Budget Reconciliation Act of 1981, which provided transition assistance for operators of commuter rail operations previously provided by the Consolidated Rail Corporation, shall continue to be an eligible recipient under this section. Such a recipient would be restricted in the percentage of the total available section 3 funds it may receive in any year in which it utilizes the transfer, to the percentage it received in FY 1983.

Similarly, section 211(b) would amend section 3(a) of the UMT Act to restrict a recipient's ability to receive a section 3 grant in a fiscal year in which it carries out a transfer under section 9(l). If a recipient has carried out a section 9(l) transfer, it could only receive a secton 3 grant for emergency repairs, made pursuant to a letter of intent or full funding contract which predates the enactment of section 211(b), or for a project which has a high priority on the plan prepared by the Secretary for allocation of section 3 funds in the year the transfer occurs. Any recipient which utilizes the transfer and remains eligible for section 3 funding in the same year for a project which the Secretary deems to be of high priority, must agree that the Federal share of the project for which section

3 funding is received, shall be reduced by the amount of capital assistance transferred under section 211 of this Act.

Section 211(c) would provide for subsections (a) and (b) to become effective on October 1, 1984.

Section 212—Authorization of Appropriations

Section 212 would increase and extend through FY 1987 the authorizations from the Mass Transit Account of the Highway Trust Fund. In addition, this provision would provide limitations on the available contract authority for specific activities within the section 3 discretionary grant program as well as limitations for section 8 planning activities, section 16(b) activities to meet the special transportation needs of elderly and handicapped persons and section 4(i) activities to implement innovative methods and techniques.

For each of fiscal years 1985, 1986 and 1987, section 212(a)(2) would make available a minimum of $140,000,000 for section 3 bus and bus-related activities; $562,000,000 for section 3 rail modernization projects; $562,000,000 for section 3 new start projects; $141,000,000 for general section 3 activities; $50,000,000 for section 8 planning activities; and a total of $40,000,000 for section 16(b) and section 4(i) activities. These minimum levels would total $1,495,000,000 in each of the fiscal years from FY 1985 through FY 1987. Additionally, this section categorizes the unobligated balance of FY 1984 section 3 transit funds that were withheld from obligation by the 1984 Transportation Appropriations Act. That Act imposed an obligation ceiling of $1.255 billion on the $1.250 billion in contract authority that this Committee provided in the Surface Transportation Assistance Act of 1982. This section categorizes the unobligated $25 million in FY 84 funds in the same ratio that the Committee bill categorizes section 3 funds for FY 85 and subsequent fiscal years among bus and bus related projects, rail modernization, and new rail starts and extensions: $10 million for rail modernization, $10 million for new starts and extensions, $2.5 million for bus projects, and $2.5 million uncategorized.

This section provides that these funds, as with all other funds authorized by section 21 of the UMT Act, shall not be withheld from obligation in FY 85 by authorizing no less than $25 million of these funds to be available for obligation in that fiscal year.

Any limitation on the obligation authorized funds by an appropriations act would be contrary to authorizing statute, violate the Rules of the House, and make the limitation subject to a point of order.

Section 212(a)(4) would stipulate that the maximum amount of contract authority obligated by the Secretary from the Mass Transit Account, except for obligations under section 11(b), cannot exceed $1,520,000,000 in FY 1985, $1,495,000,000 in fiscal year 1986, and $1,495,000,000 in 1987. The maximum limitation set forth in section 212(a)(4) would exceed the minimum level set forth in section 212(a)(2) by $25,000,000 in FY 1985. The difference between these amounts would enable the Secretary to exercise the $25 million in unobligated FY 1984 contract authority for section 3.

Section 212(a)(4) would also specify that the funds made available under section 21(a)(2) of the UMT Act would remain available until expended.

Section 212(b)(1) would amend the reference to a funding source in section 4(i) of the UMT Act to correspond with the changes made by section 212(a)(2). Section 212(b)(2) and 212(b)(3) makes similar changes for the section 16(b) and section 8 programs.

The Committee believes tht UMTA may participate in the funding of a midlife overhaul of bus or rail rolling stock under sections 3 or 9 if such overhaul would either provide betterments or extend the life of the vehicle in a cost-effective manner. UMTA should not then assist in the replacement of such rolling stock until the new design life is achieved.

The Subcommittee on Investigations and Oversight has raised questions about the extent to which quality control and quality assurance have been achieved on UMTA-financed rail construction projects. For example, four qualify-related studies were necessitated as construction of Miami's 20.5-mile rail system was winding down in 1983, all because of alleged construction deficiencies that had not been discovered or corrected earlier in the project's history. Similarly, earlier this year, the Insepctor General of the U.S. Department of Transportation raised questions about the quality of work in a tunnel liner for a light rail system well under construction in Buffalo.

While the Committee makes no judgments about the alleged deficiencies in these projects, the allegations themselves are troubling.

As Federal funds are committed to major construction projects around the nation, it is esential that there be proper construction management and construction management oversight. Otherwise, there is the potential not only for waste, fraud, and a reducton in cost efficiency, but for a resultant undermining of public confidence in the Federal public transportation program.

Learning from recent experience, UMTA has required that new construction oversight language be included in a grant award for a Federally-financed rail project in Santa Clara County, California. Not to exceed one half of one percent of the net project costs will be designated for construction management oversight, carried out by an independent contractor, who will report periodically to UMTA and be paid only upon the Agency's approval. This is a laudable step.

The Committee has not chosen to include new language in the law at this time because of the assurance provided by UMTA that more diligent construction management and construction management oversight can be achieved administratively. The Committee will be watching closely to evaluate the effectiveness of these new administrative requirements.

One lesson that is unmistakeable from the Oversight Subcommittee's work is the necessity for quality control and quality assurance to be addressed in the earliest stages of a construction project. They must be part of the advanced planning process, the design and preliminary engineering work. Qualify and efficiency in doing things pertain to more than just the actual construction, although a strong, independent, on-site presence is essential once the first spade of dirt is turned. Value engineering, too, should be routinely utilized, with the wastewater treatment construction grants program of the Environmental Protection Agency providing one model that it worth examining.

Section 213—Feasibility Study

Section 213 changes the site of a study authorized by the STAA to determine the feasibility of constructing and operating an electric trolley bus line using technology being developed for the Santa Barbara transit system. The study site would be changed from Cambridge, Massachusetts to Buffalo, New York.

Section 214—Rates for Elderly and Handicapped Persons

Section 214 would permit New York City to continue to use its perferential fare system for elderly and handicapped persons which incorporates a free return ride upon payment of a generally applicable full fare in lieu of complying with the half-fare requirement in section 5(m) of the UMT Act.

Section 215—Bus Remanufacturing

This section amends the definition of construction in section 12(c) of the UMT Act to make clear that a bus remanufacturing project which extends the economic life of a bus eight years or more is eligible for capital assistance under the UMT Act. The Committee is aware of such a project proposed by the Ohio Department of Transportation which would appear to be eligible under this section.

Section 216—Comprehensive Transit Plan

This section directs the Secretary, in cooperation with the Virgin Island Department of Public Works, to analyze and study the mass transit needs of the Virgin Islands and develop a comprehensive mass transit plan which is to be transmitted to the Congress not later than one year after date of enactment of the Act.

TITLE III—UNIFORM RELOCATION ACT

Section 301—Short Title

This title may be cited as the "Uniform Relocation Act Amendments of 1984".

Section 302—Definitions

Subsection (a) eliminates references in the definition of a Federal agency to the National Capital Housing Authority and the District of Columbia Redevelopment Land Agency. These entities are included in the new definition of "State Agency," as having power of eminent domain. The definition is also amended to include any person with the Federal power of eminent domain.

Subsection (b) amends the definition of "State Agency" to include any entity that has State power of eminent domain. This brings under the Act the displacing activities of private development corporations and public utilities where displacement occurs as a result of a Federally-funded program or project.

Subsection (c) limits the applicability of the Act by defining the term "Federal financial assistance" to exclude programs involving a mortgage interest subsidy to a person which is used to purchase a private residence. This is merely a clarification of existing law.

Subsection (d) amends the definition of a "displaced person" to include persons displaced by activities other than acquisition—namely rehabilitation, demolition and other displacing activities prescribed by the Lead Agency. The definition does not include unlawful occupants or persons (other than the original owners or tenants) who rent such property from the displacing agency pending commencement of the project.

Paragraph 6(A)(i) of subsection (d) provides a general definition of a "displaced person" to include any person who moves from real property or moves personal property as a result of a written notice of intent to acquire or the acquisition of such real property for a Federal or Federally-assisted program or project.

Paragraph 6(A)(ii) also includes under the definition of a "displaced person" residential tenants who are displaced by non-acquisition activities such as rehabilitation, demolition or such other displacing activity as the lead agency may prescribe, in connection with a Federal or Federally-assisted program or project.

Paragraph 6(B) of subsection (d) provides that solely for the purpose of making moving and related expenses payments under section 202 (a) and (c) and providing advisory services under section 205, the definition of a "displaced person" includes any person who moves from real property or moves personal property from real property on which such person conducts a business or farm operation as a result of a written notice of intent to acquire or the acquisition of such real property for a Federal or Federally-assisted program or project; in addition, the definition includes farm operations or small businesses permanently displaced by Federal or Federally-assisted rehabilitation or demolition projects or such other displacing activity as the lead agency may prescribe which may not involve acquisition by a displacing agency.

It shall be the duty of the lead agency to define such other non-acquisition activities which would result in permanent displacements of persons and which would make such persons eligible for benefits under the Act. In this connection, the Committee recognizes that many people are displaced by other Federal or Federally-assisted activities that may not involve acquisition of title, in addition to rehabilitation and demolition projects. Moreover, the Committee is concerned that even under the expanded definition of displaced persons, people may be denied coverage because of a literal reading of the term "direct result", rather than a common sense reading. The Committee intends that in developing regulations on rehabilitation or demolition activities or other displacing activities which would extend coverage to a person, the lead agency shall include persons displaced in connection with, or as a proximate result of, a decision to rehabilitate or demolish real property. The Committee believes that, all too often, Federal or Federally-assisted activities have been or can be carried out in a sequence that unjustly denies coverage to individuals that should be covered under the Act. Under the expanded definition, the facts in the case of *Conway* v. *Harris* come to mind.

Section 101(6) also provides that the definition of a "displaced person" shall not include those persons who are in unlawful occupancy of a displacement dwelling, or who have occupied a displacement dwelling for the purpose of obtaining assistance under the Act. The lead agency should interpret the term "unlawful accompany" narrowly in order to avoid injustices that may occur over technical violations of a law. For example, unlitigated violations of the terms of a lease, such as having an unauthorized pet, or the withholding of rent because of improper building maintenance, are not intended to be covered under the term. However, an "unlawful occupant" could be a squatter or a person who has been ordered to move by a court of law.

The Committee acknowledges the recent Supreme Court ruling in the *Norfolk* case which held that a utility forced to relocate from a public right-of-way is not "displaced person" within the meaning of the Act and must relocate at its own expense, unless provided otherwise by law or contract. In amending the definition of a "displaced person" in this bill, the Committee does not intend to extend coverage to such utilities or affect the long-established common-law principle that such utilities must relocate at their own expense.

Subsection (e) adds new definitions of the terms "comparable replacement dwelling", "displacing agency", "lead agency", and "appraisal".

The term "comparable replacement dwelling" means any dwelling that is decent, safe and sanitary; adequate in size to accommodate the occupants; functionally equivalent and substantially the same as the acquired dwelling with respect to the number of rooms and living space; within the financial means fo the displaced person; in an area not subject to unreasonable adverse conditions; and in a location generally not less desirable than the displaced person's dwelling with respect to public utilities, facilities, services and the displaced person's place of employment. This standard is used throughout the Act as the dwelling to which the displaced person is entitled to be relocated.

"Comparable replacement dwelling" is not defined by existing law. Each agency has defined the term in its own regulations. Under existing law, a "comparable replacement dwelling" is the cost benchmark which defines the relocation payment which, together with a moving expense payment and the fair market value of this acquired property, makes up the compensation to be paid to the displaced person.

It is helpful to compare the definition of a "suitable replacement dwelling" as contained in Senate-passed bill, S. 531, with the definition of a "comparable replacement dwelling" as contained in this bill, H.R. 5504. Both require that the replacement dwelling be "decent, safe and sanitary". Both require that the dwelling be adeqaute in size to accommodate the occupants. Both require that the dwelling be in area not subject to unreasonable adverse environmental conditions. Both require that the new dwelling be in a location generally not less desirable than that location of the displaced person's dwelling with respect to public utilities, facilities, services and the displaced person's place of employment. And both indicate that the new dwelling must be within the financial means of the displaced person.

The major distinction between H.R. 5504 and S. 531 deals with the actual charcteristics of the acquired dwelling as they affect the characteristics of the replacement dwelling. The Committee bill would require that the replcement dwelling be functionally equivalent to the acquired dwelling and substantially the same with respect to living space and number of rooms. The Senate bill would require that the replacement dwelling be functionally similar to acquired dwelling and adequate in size to accommodate the occupants.

The significance of the Senate change is most apparent where the displaced person is occupying a dwelling that more than adequately serves current needs. To make that statement assumes that a means exists to objectively determine current needs. If this can be done objectively, a displaced person under the Senate bill could incur a substantial cost to maintain his current style of living.

Although the Committee bill is more in line with current interpretations and maintains a displaced person's right to be relocated to a physically comparable dwelling, it is not the Committee's intent that the physical characteristics of the replacement dwelling must be exactly equal to or better in relation to the physical characteristics of the acquired dwelling. For example, a 50-year old three-bedroom, 1,500 square-foot, Victorian-style home could be replaced with a 35-year-old, three-bedroom, 1,475 square-foot, brick, colonial-style house. The Committee believes its proposed definition is reasonable, and sufficiently flexible to allow program managers to satisfy the objectives of their programs as well as the requirement for equitable treatment of displaced persons.

The definition of the term "displacing agency" includes Federal and State agencies with the power of eminent domain. But it also covers projects advanced by private parties without the power of eminent domain if the project is undertaken pursuant to a Federal or Federally-assisted program or project and results in a person's permanent displacement. The definition relates to and is consistent with displacement activities which may not involve acquisition by a Federal or State agency under section 101(6).

The definition of the term "lead agency" is self-explanatory. The Department of Transportation is the agency designated to promulgate uniform rules implementing this Act that every Federal agency must follow. It is not envisioned that each agency would publish its rules; however, agencies would be permitted to issue procedures necessary to supplement the lead agencies' regulations.

The term "appraisal" is defined to mean a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of value of an adequately described property as to a certain date, supported by relevant market information. The term "independent" is not intended to require that the appraiser be privately employed or to limit the use of the displacing agencies' staff personnel in any way.

SECTION 303—CERTIFICATION

A new subsection is added to allow heads of Federal agencies to discharge their responsibilities under the Act by accepting a certification from a State agency that it will perform such responsibilities in accordance with State laws, regulations, directives and standards which will accomplish the purpose and effect of the Act and regulations issued thereunder. Prior to accepting a certification, the Federal agency must provide interested parties with an opportunity for public review and comment and consult with interested local governments. Further, the head of the lead agency, in coordination with the other Federal agencies whose programs are subject to the Act, is required to monitor and review the enforcement and compliance of any State agency certification accepted under this section and to report to Congress thereon on a biennial basis.

In drafting this provision, the Committee took note that S. 531 provides for certification of State laws only, and does not require scrutiny of State regulations, standards or directives in the certification process. The Committee believes the most desirable way to assure that State laws achieve the purpose and effect of the Federal law and regulations is by certification of State law and relevant implementing issuances.

Paragraph (4) authorizes the Federal agency to withdraw its approval of the State certification, in whole or in part, if the State agency fails to comply with its certification or State law.

This stands in contrast to overly rigid procedures in S. 531 for withdrawal of a certification. Before a Federal agency may withdraw a certification under S. 531, the head of the lead agency must schedule a public hearing to review the certification. If the finding of the hearing is that the State agency has not fully complied with and enforced the law, the State is provided with due notice of the finding and provided a period of time, generally not to exceed 90 days, in which to take necessary steps to insure compliance as prescribed by the head of the lead agency. If, after that time, the head of the State agency has not taken the necessary steps, the head of lead agency is to revoke the certification.

There exists a certification and decertification procedure under highway law (23 U.S.C. 117) which is much simpler than the elaborate Senate procedures. Under 23 U.S.C. 117, whenever a lapse in certified procedures is identified and the State agency is unwilling or unable to effect corrective action, the certification is withdrawn (in whole or in part) by a memorandum to the head of the State agency. The procedure is sufficiently flexible to be used precisely to manage the operations of State partners. Specific problems can receive appropriate attention without massive disruption of portions of the program that are working well.

Under the Senate bill, withdrawal of a State certification can only be accomplished after formal notice to the State and an opportunity to "show cause" why the certificate should not be withdrawn. The Federal agency is limited in the sanction it can impose to total withdrawal of the certificate. It must be convinced that the program correction to be obtained is worth the program disruption which would follow total withdrawal. Thus, it is unlikely the decertification sanction would ever be exercised.

The authority to accept a certification of the adequacy of State laws to accomplish a Federal purpose is a matter to be approached with sensitivity. As a qualified delegation of Federal power to a State, the authority should be difficult to exercise, should require frequent monitoring of performance, and should be easy to revoke. The Committee bill was written with these objectives in mind.

The Committee bill adds a subsection (b) to clarify that the present authority of the heads of Federal agencies to apply financial sanctions against a State agency for noncompliance with the URA shall also apply with respect to approved State law. This sanction, the withholding of Federal financial approval, is intended to complement the authority to decertify a State's program.

Section 304—Declaration of Findings and Policy

Provisions of existing law which establish the Act's policy to provide for fair and equitable treatment for persons displaced as a result of Federal or Federally-assisted programs or projects so that they don't suffer disproportionate injuries or hardship is retained essentially unchanged. The Committee bill adds a subsection of congressional findings declaring that displacement can be caused by a number of activities, including rehabilitation, demolition, code enforcement as well as acquisition; that relocation policies must assure fair, uniform and equitable treatment by Federal, State and local agencies of all affected persons and assure equal treatment of persons in essentially similar circumstances; and that minimizing the adverse impact displacements have on businesses is essential to maintaining the social and economic wellbeing of communities. The bill includes additional policy statements promoting minimization of waste, fraud and mismanagement and a reduction in unnecessary administrative costs borne by States and State agencies. Also, the bill intends that activities under the Act to improve the conditions of the poor be coordinated with existing housing programs.

Section 305—Moving and Related Expenses

The bill makes four important changes in section 202. First, the bill adds a new provision to provide additional compensation for reasonable expenses, up to $10,000, necessary to reestablish a farm operation, non-profit organization or small business at its new site. The amendment addresses the fact that under existing law, businesses have substantially fewer entitlements under the Act than do residential tenants and homeowners. Farms, non-profit organizations and small businesses currently receive only moving costs. They generally do not receive an adjustment for the increased costs of new leases, or advertising or related expenses necessary to reestablish themselves—which is the purpose of this new entitlement.

Second, the bill eliminates the specific fixed moving cost schedule for tenants and homeowners (up to $300 moving cost, $200 dislocation allowance to cover incidental moving expenses) which could be chosen in lieu of actual documented moving expenses, and substitutes an unspecified moving expense and dislocation allowance to be determined according to a schedule established by the lead agency. Removal of the ceiling is intended to correct the incentive for persons to itemize actual expenses, which increases the paperwork burden, when the expense and dislocation allowance is so low as to be insufficient to cover moving costs.

Third, the bill raises the $10,000 ceiling in existing law on the amount a displaced business, non-profit organization or farm operation may receive in lieu of itemized expenses for moving and other expenses (property loss and searching expenses) to $20,000, and the minimum amount is lowered from $2,500 to $1,000.

Finally, the bill deletes the requirement that the amount paid in lieu of itemized expenses under this section must be equal to the average annual net earning of a business or farm operation in favor of criteria to be established in lead agency regulations subject to the same limits. Also eliminated is the prohibition against payment if relocation can occur without loss of patronage or if they are part of an enterprise having at least one other business establishment not being acquired. Although the change can be justified on the grounds that existing procedures are too burdensome and the loss of patronage estimate is too difficult to prove or disprove, obviously a different procedure is also necessary to establish compensation for non-profit organizations.

Section 306—Replacement Housing for Homeowners

This section raises the ceiling on relocation payments under section 203 from $15,000 to $22,500. The relocation payment is intended to cover the difference in the price of the acquired dwelling and the price of the new dwelling on which the relocation payment is computed, any increased interest costs if the rate on the new mortgage exceeds that of the old mortgage, and other incidental expenses such as the costs of purchaser points, a loan origination fee, the title search, recording fees, and certain other closing costs (but not including prepaid expenses such as real estate taxes and property insurance).

The bill also changes the formula to be used to compute the mortgage interest differential payment. In recent years, the use of the formula has resulted in windfalls which are now estimated to be in excess of $12 million annually. The present formula for computing the payment requires that it be equal to the lump sum amount, which if placed in a savings account and drawn down monthly, would cover the additional interest expense over the period of the mortgage. The bill deletes this method of computation and substitutes the simple requirement that the payment be the amount necessary to buy a replacement dwelling without increasing the combined monthly payment of principal and interest. This would be done by applying the interest differential payment directly to reducing the mortgage balance on the new dwelling. This method is called the "buy down" method and is believed to be more equitable since mortgage rates are so much higher nowadays than interest rates on savings accounts.

Existing law currently prohibits relocation payments to a displaced person who fails to purchase and occupy a replacement dwelling written one year after final payment for the acquired dwelling or the date on which he moves from the acquired dwelling, whichever is later. As a cost cutting measure, the bill would require that the displaced person purchase and occupy a new dwelling within one year after final payment for the acquired dwelling or the date on which he was provided referrals to replacement housing, whichever is later. The displacing agency could extend the one-year period for good cause, except that the payment is computed on the basis of what the person would have received within one year of acquisition or date of referral, whichever is later. This limits an agency's obligation to pay where the date of displacement occurs much later than the date the person is referred to replacement housing, such as in those cases when the acquiring agency leases property back to the displacee for a period of years. During that time, land prices and relocation costs may increase significantly, thus raising the amount of the displaced person's relocation payment. Displacing agencies should not be required to bear the additional relocation costs if the seller decides to lease back the acquired property for a period of time following acquisition. (It would be cheaper for the displacing agency if the displacee moved soon after acquisition and the property was then rented to another person who would not qualify as a "displaced person" under the Act when his lease is terminated.)

Section 307—Replacement Housing for Tenants and Certain Others

Under existing law, displaced tenants receive a relocation benefit which represents the difference between their current rent and the amount needed to rent the replacement dwelling over a four-year period up to a maximum of $4,000. The bill maintains the period of rental subsidy at four years but increases the ceiling on benefits to $6,000. However, any ceiling may be academic, because if that amount is insufficient to assure relocation, the last resort housing section 206 is invoked to justify payment of a greater amount.

The bill retains (in the definition of "comparable replacement dwelling") the requirement that the replacement dwelling be within the financial means of the displaced person and includes a specific requirement that the payment for a low-income displaced person take into account that person's income. A low-income person is a person whose income is less than 80 percent of the median income of the area.

While it has been argued that meeting the "make whole" requirement alone could satisfy the financial means test, it should be noted that proposed model regulations and many agency regulations currently in effect require relocation payments to all displaced tenants which would either make the tenant "whole" or insure that the tenant's average monthly rent does not exceed a certain percentage (25 or 30 percent) of his monthly gross income, whichever is greater. Specifically, the Committee bill requires that all persons with an income below 80 percent of the median income for the area shall be computed under a payment formula that takes into account the percentage of income such person must devote to housing—as well as the "make whole" formula, where such formula would result in a higher payment.

Testimony before the Committee indicated that a displaced tenant should have the option of accepting payments under this section or accepting either Federal low-income housing assistance or similar State or local government assistance if it is available at the time of displacement and the displaced person is eligible. This is a common practice under existing law. Where a displaced person opts for payment under this section, section 313 of the bill will act to reduce a person's entitlement under other "means-tested" housing assistance programs. Conversely, where other housing subsidies are accepted, the rental subsidy under this section would be reduced commensurately. The Committee wishes to stress its clear intent that displaced persons shall have the option of taking low-income housing assistance if it is available, and its intent that displacing agencies shall not coerce displaced persons to accept such assistance.

Another measure would allow a displacing agency to make the rental subsidy available in monthly installment payments, rather than in a lump sum. The intent is to allow agencies to insure payments are timely and are used for their intended purpose of relocating a person to a comparable dwelling.

Finally, the bill eliminates the requirement that a person who uses his rental subsidy to apply to a down payment on a replacement dwelling match any amount over $2,000. The amendment also provides that tenants and those homeowners who do not meet the 180-day residency requirement but meet the 90-day residency requirement for tenants remain eligible for the maximum down payment under this section, as is currently the case. However, the payment to a displaced homeowner cannot exceed the payment he would have received under section 203(a) if he had qualified under that section.

Section 308—Relocation Planning, Assistance Coordination, and Advisory Services

Section 308 amends section 205 of the Act to provide for relocation planning, assistance coordination and advisory services. The amendment requires the displacing agency to prepare a relocation analysis at an early stage in the planning of a program or project in order to recognize and resolve problems associated with displacement. The relocation plan should be designed to minimize the adverse impacts on displaced persons as well as to expedite program or project advancement and completion.

The Committee believes that advance planning is an essential component of all public works projects. Early relocation planning is particularly useful to determine whether a sufficient number of comparable dwellings at costs that do not exceed the statutory ceilings for relocation benefits are available or whether last resort housing provisions under section 206 of the Act need to be invoked. It is prudent that such issues be resolved early in the project development process.

Section 205(c) is amended to include farm operations among the businesses for which information on alternative locations must be provided; to require that an agency provide a displaced person with a reasonable opportunity to relocate to a comparable replacement dwelling except in the case of a disaster or emergency; and to provide technical assistance to persons applying for assistance under other Federal or State programs.

Subsection (e) would require that when two or more Federal agencies are providing assistance to a geographically or functionally related activity, the agencies agree on a cognizant agency whose procedures will apply to such activities. If the agencies cannot agree, then the lead agency shall designate a cognizant agency.

Subsection (f) authorizes advisory services for re-renters excluded from the definition of a "displaced person" under section 101(6).

Section 309—Last Resort Housing

Under existing law, last resort housing is used by the displacing agency when: 1) an adequate supply of comparable decent, safe and sanitary replacement housing is not available for those persons to be displaced; 2) comparable decent, safe and sanitary replacement housing cannot be purchased for the maximum payment of $15,000 in addition to the acquisition price; of 3) comparable decent, safe and sanitary replacement housing cannong be rented over a 4-year period for the maximum payment of $4,000 in addition to the rent presently being paid. In any such case, the displacing agency is authorized to take such action as is necessary or appropriate to provide such housing by use of funds authorized for the project. Some agencies have interpreted this as authority to exceed the relocation payment ceilings in section 203 and 204. Other agencies have not permitted the ceilings to be exceeded.

The bill amends 206(a) to require that the lead agency shall promulgate a regulation to the effect that this section may not be used to exceed the new payment ceilings under sections 203 and 204, except on a case-by-case basis, for good cause. This essentially resolves the disagreement between agencies in favor of higher payments subject to procedural safeguards to be designed by the lead agency. One such cause would be the inability of the displacing agency to provide housing that is within the financial means of the displaced person. Good cause could also be found where the cost of providing housing directly would exceed the cost of expanded benefits. Consistent with the discussion of a displaced tenant's option to accept a rental subsidy under section 204 of the Act or low-income housing assistance, the Committee intends that the same options shall apply with respect to payments under the housing of last resort section. The Committee believes that requiring a displaced person to accept an available Section 8 housing certificate as the Senate bill provides would lead to excessive reliance on an existing low-income housing program to meet housing that should be financed as a part of normal project costs. Further, such a policy could result in excessive reductions in total Federal funds available for low-income housing generally.

The bill retains essentially unchanged the assurance that a person shall not be required to move from his dwelling unless comparable replacement housing is available to that person.

Section 310—Assurances

Section 210, which prohibits Federal payments for a project unless the recipient provides adequate assurances of compliance with the Act, is amended to conform to the use of the newly defined term "displacing agency."

Section 311—Federal Share of Costs

Section 211(a) is amended to delete outdated language establishing coverage under the Act for projects undertaken before July 1972. "State agency" is amended to read "displacing agency" to conform with the amendment made under 101(11).

Section 211(b) is an amendment to expand the present prohibition on duplication of compensation occurring when a displaced person receives payments under State law which serve essentially the same purpose as those provided under the Act. Obviously, this section should not be interpreted, nor has it ever been interpreted, to deny reimbursement of the Federal share to a State that has incurred costs under a Federally-assisted reimbursable State program.

Section 312—Duties of Lead Agency

Section 213 is amended to require the lead agency to: 1) issue uniform, Government-wide regulations for use by all Federal agencies in administering the Act; 2) coordinate, with the assistance of other Federal agencies, relocation activities under Title II of the Act with Federal and Federally-assisted housing programs; 3) monitor, in coordination with other Federal agencies, the implementation and enforcement of the Act, and report to Congress on any major issues or problems associated with the Act; and 4) perform other duties that pertain to the purposes of the Act.

This section is one of the most significant procedural innovations in the bill. The lead agency will develop and publish rules and regulations applicable to all Federal programs to assure a greater degree of uniformity than has occurred under existing law. Present practice involves regulations issued by each Federal agency involved in property acquisition. Each regulation reflects the eccesntricities of the particular program. This is true even though interagency consultation mechanisms exist and are used.

This diversity in the implementation of a "uniform" law proves particularly irksome to State and local agencies that simultaneously operate several Federal programs. The difference in Federal rules may result in adjacent homeowners whose properties are acquired at the same time receiving payments calculated in significantly different ways, with different documentation, and different bottom line amounts. Regulations which have been issued by 20 different Federal departments and agencies vary considerably on these points. It is intended that Federal agencies may issue reasonable procedural requirements consistent with their own program practices. However, to insure uniformity and to minimize burdens on State and local agencies, the lead agency rules should provide sufficient direction to preclude the need for the issuance of regulations by other Federal agencies.

The Committee is aware of the major role of Department of Housing and Urban Development (HUD) staff in the recent development of "model" Uniform Act regulations and believes that the active participation of HUD is essential to the development and implementation of the uniform government-wide regulations required under this section. Historically, HUD-assisted housing and community development programs have required the relocation of greater numbers of families, individuals and businesses than programs of other Federal agencies.

Given HUD's past experience in the administration of displacement-causing activities, particularly under rehabilitation programs, the Committee expects HUD to play a lead role in the formulation and administration of the government-wide rules required under section 213.

The bill retains with some modification a feature of existing law authorizing and appeals procedure for a person aggrieved by a determination as to his eligibility, the amount of a payment, or other factors under this Act.

Section 313—Payments Under Other Laws

Under existing law, it is conceivable a displaced low-income person could receive a relocation payment under this Act and remain eligible for another "means-tested" housing subsidy under Federal housing law. The amendment made by this section reduces the opportunity for duplicative payments.

Section 314—Transfer of Surplus Property

Section 218 is amended to establish that the amount to be paid to GSA by a State after it disposes of surplus property transferred to the State by the Federal Government for the purpose of providing replacement housing required by this Title will reflect only the net amounts received for such property, rather than all amounts as is currently the case. The State would be compensated for the cost of marketing the surplus property.

Section 315—Repeals

Section 214, 217 and 219 of the Act are repealed.

Section 214, which pertains to the requirement to submit a report to Congress on the implementation of the 1970 Act, and which lapsed in 1975, is repealed.

Section 217, which pertains to the Act's applicability to HUD programs now being phased out, is repealed.

Section 219, which pertains to the Act's applicability to a now-defunct program in New York City, is repealed.

Section 316—Real Property Acquisition

Section 316 incorporates a new provision under section 301(2) requiring the head of the lead agency to promulgate procedures under which acquiring agencies may forego an appraisal for acquisition or the donation of low-value property.

Section 316 further amends section 301 to define an uneconomic remnant of property as one with little or no value or utility to the owner which is left after the partial acquisition of his property for a Federal or Federally-assisted project. The bill maintains the requirement that the head of the agency offer to acquire such an uneconomic remnant so that the owner or occupant would be eligible for the full benefits under the Act.

Section 316 adds a new paragraph (10) to section 301, to allow donations under the Act, since donations are not viewed as "acquisitions" as that term is used in this Title. Currently, the requirement that "fair market value" be paid in compensation for property acquired by the Federal Government is interpreted as precluding the acceptance of donations under the URA.

Section 317—Assurances

This section makes a conforming amendment to section 305 substituting the terms "acquiring agency" for the term "State agency". An "acquiring agency" is defined as an agency with State eminent domain authority and a State agency or person who does not have such authority to the extent provided by the lead agency by regulation.

Section 318—Effective Date

Section 318 is added to establish that section 209 of this Act regarding the duties of the Lead Agnecy takes effect on the date of enactment of this Act, and that the remainder of the Act takes effect 24 months from the date of enactment.

COMPLIANCE WITH CLAUSE 2(l) OF RULE XI OF THE RULES OF THE HOUSE OF REPRESENTATIVES

(1) With reference to clause 2(l)(3)(A) of Rule XI of the Rules of the House of Representatives, no separate findings or recommendations have been formally issued on the subject matter of this legislation by the Subcommittee on Investigations and Oversight. The Subcommittee on Surface Transportation held hearings on the subject matter which resulted in Titles I, II, and III of the reported bill.

(2) Clause 2(l)(3)(B) of Rule XI of the Rules of the House of Representatives requires that the report of any Committee on a measure which has been approved by the Committee shall include the statement required by section 308(a) of the Congressional Budget and Impoundment Control Act of 1974, if the measure provides new budget authority or new or increased tax expenditures.

With respect to section 308(a)(1)(A), the letter submitted by the Director of the Congressional Budget Office under (3) below satisfies the requirement.

With respect to section 308(a)(1)(B), the letter submitted by the Director of the Congressional Budget Office under (3) below satisfies the requirement.

With respect to section 308(a)(1)(C) of the Congressional Budget and Impoundment Control Act of 1974, virtually all new budget authority provided in the reported bill is for financial assistance to State and local governments, except for normal administrative deductions to carry out the programs and other provisions requiring direct Federal administration, such as for comprehensive studies and reports.

(3) With respect to clause 2(l)(3)(C) of Rule XI of the Rules of the House of Representatives, the Committee has received the following report prepared by the Congressional Budget Office under section 403 of the Congressional Budget Act.

The report is as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., May 15, 1984.

Hon. JAMES J. HOWARD,
Chairman, Committee on Public Works and Transportation, U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for Titles I and II of H.R. 5504, the Surface Transportation and Uniform Relocation Assistance Act of 1984. The estimate for Title III, the Uniform Relocation Act Amendments of 1984, will be provided to the Committee at a later date.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JAMES BLUM
(For Rudolph G. Penner, Director).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 5504.

2. Bill title: Surface Transportation and Uniform Relocation Assistance Act of 1984.

3. Bill status: As ordered reported by the House Committee on Public Works and Transportation, May 9, 1984.

4. Bill purposes: Title I of the bill, the Federal-Aid Highway Act of 1984, provides direct spending from the Highway Trust Fund for fiscal year 1985 through 1987 to be spent for 37 highway demonstration projects, the highway beautification program, and special studies. These authorizations represent only the funding which will be made available for these demonstration projects in the next three years; total funding for these projects could exceed $2 billion, requiring additional authorizations in the future. This title also directs the Secretary to apportion the remaining interstate construction and interstate substitution funds available for obligation in fiscal year 1984, and all of the funds for these programs available for fiscal year 1985. (One-half of the funds for 1984 were released on March 9, 1984, by Public Law 98-229). The bill also makes two highway projects in Massachusetts, estimated to cost approximately $2 billion, eligible to receive federal funds. Although no additional funding is authorized at this time to cover the projects, future authorizations for the interstate highway program will have to be increased to reflect this cost. The limitation on obligations from the Highway Trust Fund for fiscal year 1985, as established by the Surface Transportation Assistance Act of 1982 (STAA), is increased by

$80 million, the difference between the obligation ceiling established by the STAA for fiscal year 1984, and the lower limit established by the Department of Transportation and Related Agencies Appropriations Act of 1984.

Title II of this bill, the Federal Mass Transportation Act of 1984, provides through 1987, $1.5 billion in annual direct spending from the Mass Transit Account of the Highway Trust Fund. The program, which finances transit capital projects, is now authorized at an annual level of $1.1 billion through 1986. In addition, the bill limits the contract authority available for specific activities within the Section 3 program, including construction of new rail systems, rail modernization activities, and bus-related purchases. The Secretary would also be authorized to enter into multi-year obligations as a result of the bill, but only to the amount of new budget authority available for that fiscal year (i.e., $1.5 billion for each year). Funds for projects after 1986 would be subject to annual Congressional review before they could be obligated. The bill also provides contract authority of $10 million annually from the trust fund, from 1985 to 1987, to fund university transportation centers. Current law now authorizes $10 million from the general fund through 1986 for such centers. The current authorization for interstate transfer projects is amended by the bill to make available such sums as may be necessary for fiscal year 1985 and 1986; the STAA of 1982 authorized $390 million and $400 million in 1985 and 1986, respectively. This amendment is designed to accommodate several projects which may be eligible for such funding at a later date. The President requested only $250 million for this program in fiscal year 1985, and it is uncertain whether any additional authorization will be needed. Finally, the bill would extend through 1986 a provision which permits local recipients to trade in capital funds received under the Section 9 block grant program for operating funds.

5. Estimated cost to the Federal Government:

[by fiscal years, in millions of dollars]

	1985	1986	1987	1988	1989
Budget authority:					
Highways	304	234	39	42	
Transit	395	395	1,505		
Total	699	629	1,544	42	
Estimated outlays:					
Highways	55	238	187	82	51
Transit	20	99	233	459	479
Total	75	337	420	541	530

In addition, the bill requires the Department of Transporation to undertaken several studies. Based on information from the Department, we expect these to cost approximately $1.5 million.

This estimate does not include the costs of this bill related to relocation assistance. Those estimates will be provided to the Committee at a later date.

The costs of this bill fall within budget function 400.

Basis of estimate: The budget authority levels are those specified in the bill. Outlays are based on historical spending rates.

6. Estimated cost to State and local governments: None.

7. Estimate comparision: None.

8. Previous CBO estimate: None.

9. Estimate Prepared by: Kathleen Kelly.

10. Estimate approved by: C. G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

(4) With respect to clause 3(l)(3)(D) of Rule XI of the Rules of the House of Representatives, the Committee has not received a report from the Committee on Government Operations pertaining to the subject matter.

(5) With respect to the requirements of clause 2(l)(4) of Rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment of H.R. 5504 should have no significant inflationary impact on prices and costs in the operation of the National economy.

COST OF LEGISLATION

In accordance with Rule XIII(7) of the Rules of the House of Representatives, the cost to the United States in carrying out H.R. 5504, as reported, in fiscal year 1985, and in each of the five following fiscal years, is estimated by the Committee to be costs which appear in the report of the Congressional Budget Office.

VOTE

The Committee ordered the bill reported by voice vote.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 23—UNITED STATES CODE

* * * * * * *

CHAPTER 1—FEDERAL-AID HIGHWAYS

Sec.
101. Definitions and declaration of policy.

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127. Vehicle weight [and width] limitations—Interstate System.

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[146. Repealed.]
146. Carpool and vanpool projects.

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§ 101. Definitions and declaration of policy.

(a) As used in this title, unless the contex requires otherwise—

* * * * * * *

The term "highway safety improvement project" means a project which corrects or improves high hazard locations, eliminates roadside obstacles, improves highway signing and pavement marking, *installs emergency motorist-aid call boxes,* or installs traffic control or warning devices at high accident potential locations.

* * * * * * *

§ 103. Federal-aid systems.

(a) * * *

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(e)(1) * * *

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(4) Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of any route or portion thereof on the Interstate System which was selected and approved in accordance with this title, if he determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System and if he receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by the route or portion thereof. When the Secretary withdraws his approval under this paragraph, a sum equal to the Federal share of the cost to complete the withdrawn route or portion thereof, as that cost is included in the latest Interstate System cost estimate approved by Congress, or up to and including the 1983 interstate cost estimate, whichever is earlier, subject to increase or decrease, as determined by the Secretary based on changes in construction costs of the withdrawn route or portion thereof as of the date of approval of each substitute project under this paragraph, or the date of approval of the 1983 interstate cost estimate, whichever is earlier, shall be available to the Secretary to incur obligations for the Federal share of either public mass transit projects involving the construction of fixed rail facilities or the purchase of passenger equipment including rolling stock, for any mode of mass transit, or both, or projects authorized under any highway assistance program under section 103 of this title: or both, which will serve the area or areas from which the interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the area or areas to be served, and which are selected by the Governor or the Governors of the State or the States in which the withdrawn route was located if the withdrawn route was not within an urbanized area or did not pass through and connect urbanized areas, and which are submitted by the Governors of the States in which the withdrawn route was located. Substitute projects under this paragraph may not be approved by the Secretary under this paragraph after September 30, 1983, and the Secretary shall not approve any withdrawal of a route under this paragraph after such date, except that this sentence shall not apply to any route which on the date of

enactment of the Federal-Aid Highway Act of 1978 is under judicial injunction prohibiting its construction, and except that with respect to any route which on May 12, 1982, is under judicial injunction prohibiting its construction the Secretary may approve substitute projects and withdrawals on such route until Septembr 30, 1985. Approval by the Secretary of the plans, specifications, and estimates for a substitute project shall be deemed to be a contractual obligation of the Federal Government. The Federal share of each substitute project shall not exceed 85 per centum of the cost thereof [The sums apportioned under this paragraph for public mass transit projects shall remain available for the fiscal year for which apportioned and for the succeeding fiscal year. The sums available for obligation under this paragraph for projects under any highway assistance program shall remain available for the fiscal year for which apportioned and for the succeeding fiscal year. Any sums which are apportioned to a State for a fiscal year and are unobligated (other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a substitute project which has been submitted by the State to the Secretary for approval) at the end of such fiscal year shall be apportioned among those States which have obligated all sums (other than such an amount) apportioned to them for such fiscal year, in accordance with the latest approved estimate of the cost of completing the appropriate substitute projects in such States.] *The sums apportioned and the sums allocated under this paragraph for public mass transit projects shall remain available for the fiscal year for which apportioned or allocated, as the case may be, and for the succeeding fiscal year. The sums apportioned and the sums allocated under this paragraph for projects under any highway assistance program shall remain available for the fiscal year for which apportioned or allocated, as the case may be, and for the succeeding fiscal year. Any sums which are apportioned or allocated to a State for a fiscal year and are unobligated (other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a substitute project which has been submitted by the State of a substitute project which has been submitted by the State to the Secretary for approval) at the end of such fiscal year shall be apportioned or allocated, as the case may be, among those States which have obligated all sums (other than such an amount) apportioned or allocated, as the case may be, to them for such fiscal year. Such reapportionments shall be in accordance with the latest approved estimate of the cost of completing substitute projects, and such reallocations shall be at the discretion of the Secretary.* The sums obligated for mass transit projects shall become part of, and be administered through, the Urban Mass Transportation Fund. For the fiscal year ending September 30, 1983, $257,000,000 shall be available out of the Highway Trust Fund for expenditure at the discretion of the Secretary for projects under highway assistance programs. For the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986, sums obligated for projects under highway assistance programs shall be paid out of the Highway Trust Fund, and $700,000,000 shall be available for expenditure during each of the fiscal years ending September 30, 1984, and September 30, 1985, and $725,000,000 shall be available for expenditure during the fiscal year ending September 30, 1986. Twenty-five per centum of the funds available from the Highway Trust Fund for each of the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986, for substitute highway projects under this paragraph shall be distributed at the discretion of the Secretary. The remaining 75 per centum of such funds shall be apportioned in accordance with cost estimates approved by Congress. The Secretary shall make an estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of enactment of this sentence. Upon approval of such cost estimate by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for the fiscal year ending September 30, 1984. The Secretary shall make a revised estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1984, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for the fiscal [years] *year* ending September 30, 1985 [, and September 30, 1986.] *The Secretary shall make a revised estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1985, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for the fiscal years ending September 30, 1986, and September 30, 1987.* There are authorized to be appropriated for liquidation of obligations incurred under this paragraph the sums provided in section 4(g) of the Urban Mass Transportation Act of 1964. Fifty per centum of the funds appropriated for each fiscal year beginning after September 30, 1983, for carrying out substitute transit projects under this paragraph shall be distributed at the discretion of the Secretary. The remaining 50 per centum of such funds shall be apportioned in accordance with cost estimates of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of enactment of this sentence. Upon approval of such cost estimate by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for the fiscal year ending September 30, 1984. The Secretary shall make a revised estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1984, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for the fiscal [years] *year* ending September 30, 1985 [, and September 30, 1986.] *The Secretary shall make a revised estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1985, and upon approval by Congress, the Secretary* *shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for the fiscal years ending September 30, 1986, and September 30, 1987.* Unobligated apportionments for the Interstate System in any State where a withdrawal is approved under this paragraph shall, on the date of such approval, be reduced in the proportion that the Federal share of the cost of the withdrawn route or portion thereof bears to the Federal share of the total cost of all Interstate routes in that State as reflected in the latest cost estimate approved by the Congress. In any State where the withdrawal of an Interstate route or portion thereof has been approved under section 103(e)(4) of this title prior to the date of enactment of the Federal-Aid Highway Act of 1976, the obligated apportionments for the Interstate System in that State on the date of enactment of the Federal-Aid Highway Act of 1976 shall be reduced in the proportion that the Federal share of the cost to complete such route or portion thereof, as shown on the latest cost estimate approved by Congress prior to such approval of withdrawal bears to the Federal share of the cost of all Interstate routes in that State, as shown on such cost estimate, except that the amount of such proportional reduction shall be credited with the mount of any reduction in such State's Interstate apportionment which was attributable to the Federal share of any substitute project approved under this paragraph prior to enactment of such Federal-Aid Highway Act. Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended. The provisions of this paragraph as amended by the Federal-Aid Highway Act of 1976, shall be effective as of August 13, 1973. The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out this paragraph. After the date of enactment of this sentence, the Secretary may not designate any mileage as part of the Interstate System pursuant to this paragraph or under any other provision of law. The preceding sentence shall not apply to a designation made under section 139 of this title. After September 30, 1979, the Secretary shall not withdraw his approval under this paragraph of any route or portion thereof on the Interstate System open to traffic before the date of the proposed withdrawal. Any withdrawal of approval of any such route or portion thereof before September 30, 1979, is hereby determined to be authorized by this paragraph. Any route or segment thereof which was statutorily [designed] *designated* after March 7, 1978, to be on the Interstate System shall not be eligible for withdrawal or substitution under this subsection.

* * * * * * *

§ 104. Apportionment.

(a) * * *

(b) On October 1 of each fiscal year except as provided in paragraphs (4) and (5) of this subsection, the Secretary, after making the deduction authorized by subsection (a) of this section, shall apportion the remainder of the sums authorized to be appropriated for expenditure upon the Federal-aid systems for that fiscal year, among the several States in the following manner:

(1) * * *

*   *   *   *   *   *   *

(5)(A) * * *

(B) For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System:

[55 per centum in the ratio that lane miles on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such lane miles in all States; and 45 per centum in the ratio that vehicle miles traveled on lanes on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such vehicle miles in all States. Notwithstanding the preceding sentence, no State excluding any State that has no interstate lane miles shall receive less than one-half of 1 per centum of the total apportionment made by this subparagraph for any fiscal year.]

(B) For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System:

50 per centum in the ratio that vehicle miles traveled on lanes on the Interstate routes designated under sections 103 and 139(c) of this title (other than those on toll roads not subject to a Secretarial agreement provided for in section 105 of the Federal-Aid Highway Act of 1978) in each State bears to the total of all such vehicle miles in all States; 25 per centum in the ratio that gasoline used by motor vehicles on highways in such State bears to the total of gasoline used by motor vehicles on highways in all States; and 25 per centum in the ratio that diesel fuel used by motor vehicles on highways in such State bears to the total of diesel fuel used by motor vehicles on highways in all States.

The Secretary shall establish such rules and regulations as may be necessary to carry out this provision.

*   *   *   *   *   *   *

§ 111. Agreements relating to use of and access to rights-of-way—Interstate System.

(a) All agreements between the Secretary and the State highway department for the construction of projects on the Interstate System shall contain a clause providing that the State will not add any points of access to, or exit from, the project in addition to those approved by the Secretary in the plans for such project, without the prior approval of the Secretary. Such agreements shall also contain a clause providing that the State will not permit automotive service stations or other commercial establishments for serving motor vehicle users to be constructed or located on the rights-of-way of the Interstate System. Such agreements may, however, au-

thorize a State or political subdivision thereof to use or permit the use of the airspace above and below the established grade line of the highway pavement for such purposes as will not impair the full use and safety of the highway, as will not require or permit vehicular access to such space directly from such established grade line of the highway, or otherwise interfere in any way with the free flow of traffic on the Interstate System. Nothing in this section, or in any agreement entered into under this section, shall require the discontinuance, obstruction, or removal of any establishment for serving motor vehicle users on any highway which has been, or is hereafter, designated as a highway or route on the Interstate System (1) if such establishment (A) was in existence before January 1, 1960, (B) is owned by a State, and (C) is operated through concessionaries or otherwise, and (2) if all access to, and exits from, such establishment conform to the standards established for such a highway under this title.

(b) Notwithstanding subsection (a), any State may permit the placement of vending machines in rest and recreation areas, and in safety rest areas constructed or located on the rights-of-way of the Interstate System in such State. Such vending machines may only dispense such food, drink, and other articles as the State highway department determines are appropriate and desirable. Such vending machines may only be operated by the State. In permitting the placement of vending machines, the State shall give priority to vending machines which are operated through the State licensing agency designated pursuant to section 2(a)(5) of the Act of June 20, 1936, commonly known as the "Randolph-Sheppard Act" (20 U.S.C. 107a(a)(5)). The costs of installation, operation, and maintenance of vending machines shall not be eligible for Federal assistance under this title.

* * * * * * *

§ 115. Construction by States in advance of apportionment.

(a)(1) * * *

* * * * * * *

(b)(1) When a State proceeds to construct any project on the Interstate System without the aid of Federal funds, as that System may be designated at that time, in accordance with all procedures and all requirements applicable to projects on such System, except insofar as such procedures and requirements limit a State to the construction of projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such State and his approval of such application, is authorized to pay to such State the Federal share of the cost of construction of such project when additional funds are apportioned to such State under section 104 of this title if—

(A) prior to the construction of the project the Secretary approves the plans and specifications therefor in the same manner as other projects on the Interstate System, and

(B) the project conforms to the applicable standards under section 109 of this title.

(2) For any project [under construction on January 1, 1983, on the Interstate System] *constructed before, on, or after January 1, 1983, on the Interstate System* and converted to a regularly funded project after January 1, 1983, for which the proceeds of bonds issued by the State, county, city, or other political subdivision of the State were used, any interest earned and payable on such bonds by the date of conversion is an eligible cost of construction, to the extent that the proceeds of such bonds have actually been expended in the construction of such projects.

* * * * * * *

§ 118. Availability of sums apportioned.

(a) On and after the date that the Secretary has certified to each State highway department the sums apportioned to each Federal-aid system or part thereof pursuant to an authorization under this title, or under prior Acts, such sums shall be available for expenditure under the provisions of this title.

(b)(1) Sums apportioned to each Federal-aid system (other than the Interstate System) shall continue available for expenditure in that State for the appropriate Federal-aid system or part thereof (other than the Interstate System) for a period of three years after the close of the fiscal year for which such sums are authorized and any amounts so apportioned remaining unexpended at the end of such period shall lapse.

(2) Except as otherwise provided in this subsection, sums apportioned for the Interstate System in any State shall remain available for expenditure in that State for the Interstate System until the end of the fiscal year for which authorized. Sums not obligated within the time period prescribed by the preceding sentence shall be made available by the Secretary for projects on the Interstate System (other than projects for which sums are apportioned under section 104(b)(5)(B)) in accordance with the following priorities: First, for high cost projects which directly contribute to the completion of an Interstate segment which is not open to traffic *and high cost projects which are eligible for Federal assistance with funds apportioned under section 104(b)(5)(A) of this title and are on an Interstate segment which is on a common alignment of more than 7.9 miles with any other Interstate segment and on which actual construction with funds apportioned under such section is under way on the date of enactment of the Surface Transportation Assistance Act of 1982;* and second, for projects of high cost in relation to a State's apportionment. Sums may only be made available under this paragraph in any State if the Secretary determines that the State has obligated all of its apportionments other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a project on the Interstate System which has been submitted by such State to the Secretary for approval, and the applicant is willing and able to (A) apply the funds to a ready-to-commence project; and (B) in the case of construction work, begin work within ninety days of obligation. Sums made available under this paragraph shall remain available until expended.

* * * * * * *

(f) Funds made available to the State of Alaska *and the Commonwealth of Puerto Rico* under this title may be expended for construction of access and development roads on a Federal-aid system that will serve resource development, recreational, residential, commercial, industrial, or other like purposes.

* * * * * * *

§ 120. Federal share payable.

(a) * * *

* * * * * * *

(f) The Federal share payable on account of any repair or reconstruction provided for by funds made avaialble under section 125 of this title shall not exceed 100 per centum of the cost thereof **[**: *Provided,* That the Federal share payable on account of any repair or reconstruction of forest highways, forest development roads and trails, park roads and trails, parkways, public lands highways, public lands development roads and trails, and Indian reservation roads may amount to 100 per centum of the cost thereof. The total cost of a project may not exceed the cost of repair or reconstruction of a comparable facility. As used in this section with respect to bridges and in section 144 of this title, "a comparable facility" shall mean a facility which meets the current geometric and construction standards required for the types and volume of traffic which such facility will carry over its design life.**]**.

* * * * * * *

(i) Notwithstanding any other provision of this section or of this title, the Federal share payable on account of any project under this title in the Virgin Islands, Guam, American Samoa, or the Commonwealth of the Northern Mariana Islands shall be 100 per centrum of the total cost of the project.

[(i)**]** *(j)* The Federal share payable on account of any project financed under section 307(c) of this title shall be 85 per centum, except that in the case of any State containing nontaxable Indian lands, individual and tribal, and public domain lands (both reserved and unreserved) exclusive of national forests and national parks and monuments, exceeding 5 per centum of the total area of all lands therein, the Federal share shall be increased by a percentage of the remaining cost equal to the percentage that the area of all such lands in such State is of its total area, except that such Federal share payable on any project in any State shall not exceed 95 per centum of the total cost of any such project.

[(j)**]** *(k)* Notwithstanding any other provision of this section (other than subsection (i)), of this title, or of any other law, in any case where a State elects to use funds apportioned to it for any Federal-aid system for any project under sections 143, 148, and 155, of this title and for those priority primary routes under section 147 of this title designated in Committee Print Numbered **[**97-61**]** *98-25* of the Committee on Public Works and Transportation of the House of Representatives, and for funds allocated under the provisions of section 155 of this title and obligated subsequent to January 6, 1983, the Federal share payable on account of such project shall be 95 per centum of the cost thereof, unless—

(1) such project is on land owned by the United States in which case the Federal share shall be 100 per centum of the cost of such project, or

(2) a Federal share of the cost of the project greater than 95 per centum is specifically authorized by law.

[(k)] *(l)* Notwithstanding any other provision of this section, the Federal share payable on account of any project under this title to reconstruct, resurface, restore, and rehabilitate any highway which the Secretary determines, at the request of any State, is incurring a substantial use as a result of transportation activities to meet national energy requirements and will continue to incur such use is 85 per centum of the cost of such project.

* * * * * * *

§ 122. Payment to States for bond retirement.

Any State that shall use the proceeds of bonds issued by the State, county, city, or other political subdivision of the State for the construction of one or more projects on the Federal-aid primary or Interstate System, or extensions of any of the Federal-aid highway systems in urban areas, or for substitute highway projects approved under section 103(e)(4) of this title, may claim payment of any portion of the sums apportioned to it for expenditure on such system or on highway projects approved under section 103(e)(4) of this title to aid in the retirement of the principal of such bonds the proceeds of which were used for projects on the Federal-aid primary system or extensions of any of the Federal-aid highway systems in urban areas *or for substitute highway projects approved under section 103(e)(4) of this title* and the retirement of the principal and interest of such bonds the proceeds of which were used for projects on the Interstate System at their maturities, to the extent that the proceeds of such bonds have been actually expended in the construction of one or more of such projects. Such claim for payment may be made only when all of the provisions of this title have been complied with to the same extent and with the same effect as though payment were to be made to the State under section 121 of this title, instead of this section, and the Federal share payable shall not exceed the pro rata basis of payment authorized in section 120 of this title. This section shall not be construed as a commitment or obligation on the part of the United States to provide for the payment of the principal or interest of any such bonds. The payment of interest on such bonds and incidental costs in connection with the sale of such bonds shall not be included in the estimated cost of completing the Interstate System.

* * * * * * *

§ 125. Emergency relief.

(a) * * *

(b) The Secretary may expend funds from the emergency fund herein authorized for the repair or reconstruction of highways on [the Interstate System, the Primary System, and on any routes functionally classified as arterials, or major collectors,] *the Federal-aid highway systems, including the Interstate System* in accordance with the provisions of this chapter: *Provided,* That *(1)* obligations for projects under this section, including those on highways, roads, and trails mentioned in subsection (c) of this section, resulting from a single natural disaster or a single catastrophic failure shall not exceed $30,000,000 in any State, *and (2) the total obligations for projects under this section in any fiscal year in the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands shall not exceed $5,000,000.* Notwithstanding any provision of this chapter actual and necessary costs of maintenance and operation of ferryboats providing temporary substitute highway traffic service, less the amount of fares charged, may be expended from the emergency fund herein authorized on [the Interstate System, the Primary System, and on any routes functionally classified as arterials or major collectors,] *the Federal-aid highway systems, including the Interstate System.* Except as to highways, roads, and trails mentioned in subsection (c) of this section, no funds shall be so expended unless the Secretary has received an application therefor from the State highway department, and unless an emergency has been declared by the Governor of the State and concurred in by the Secretary, except that if the President has declared such emergency to be a major disaster for the purposes of the disaster Relief Act of 1974 (Public Law 93-288) concurrence of the Secretary is not required.

(c) The Secretary may expend funds from the emergency fund herein authorized, either independently or in cooperation with any other branch of the Government, State agency, organization, or person, for the repair or reconstruction of forest highways, forest development roads and trails, park roads and trails, parkways, public lands highways, public lands development roads and trails, and Indian reservation roads, whether or not such highways, roads, or trails are [routes functionally classified as arterials or major collectors.] *on any of the Federal-aid highway systems.*

(d) For purposes of this section, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands shall be considered to be States and parts of the United States, and the chief executive officer of each such territory shall be considered to be a Governor of a State.

* * * * * * *

§ 127. Vehicle weight limitations—Interstate System

"(a) No funds authorized to be appropriated for any fiscal year under provisions of the Federal-Aid Highway Act of 1956 shall be apportioned to any State which does not permit the use of the National System of Interstate and Defense Highways within its boundaries by vehicles with a weight of twenty thousand pounds carried on any one axle, including enforcement tolerances, or with a tandem axle weight of thirty-four thousand pounds, including enforcement tolerances, or a gross weight of at least eighty thousand pounds for vehicle combinations of five axles or more. However, the maximum gross weight to be allowed by any State for vehicles using the National System of Interstate and Defense Highways shall be twenty thousand pounds carried on one axle, including enforcement tolerances, and a tandem axle weight of thirty-four thousand pounds, including enforcement tolerances and with an overall maximum gross weight, including enforcement tolerances, on a group of two or more consecutive axles produced by application of the following formula:

$$W=500\ (LN/N-1+12N+36)$$

where W equals overall gross weight on any group of two or more consecutive axles to the nearest five hundred pounds, L equals distance in feet between the extreme of any group of two or more consecutive axles, and N equals number of axles in group under consideration, except that two consecutive sets of tandem axles may carry a gross load of thirty-four thousand pounds each providing the overall distance between the first and last axles of such consecutive sets of tandem axles *(1)* is thirty-six feet or more, *or (2) in the case of a motor vehicle hauling any tank trailer or ocean transport container before September 1, 1988, thirty feet or more: Provided,* That such overall gross weight may not exceed eighty thousand pounds, including all enforcement tolerances, except for those vehicles and loads which cannot be easily dismantled or divided and which have been issued special permits in accordance with applicable State laws, or the corresponding maximum weights permitted for vehicles using the public highways of such State under laws or regulations established by appropriate State authority in effect on July 1, 1956, except in the case of the overall gross weight of any group of two or more consecutive axles *on any vehicle (other than a vehicle comprised of a motor vehicle hauling any tank trailer or ocean transport container on or after September 1, 1988),* on the date of enactment of the Federal-Aid Highway Amendments of 1974, whichever is the greater. Any amount which is withheld from apportionment to any State pursuant to the foregoing provisions shall lapse. This section shall not be construed to deny apportionment to any State allowing the operation within such State of any vehicles or combinations thereof which the State determines could be lawfully operated within such State on July 1, 1956, except in the case of the overall gross weight of any group of two or more consecutive axles, on the date of enactment of the Federal-Aid Highway Amendments of 1974. With respect to the State of Hawaii, laws or regulations in effect on February 1, 1960, shall be applicable for the purposes of this section in lieu of those in effect on July 1, 1956. With respect to the State of Michigan, laws or regulations in effect on May 1, 1982, shall be applicable for the purposes of this subsection.

* * * * * * *

(c) For purposes of this section, the term "ocean transport container" has the meaning given the term "freight container" by the International Standards Organization on the date of enactment of this Act in Series 1, Freight Containers, 3rd Edition (reference number IS0668-1979(E)).

* * * * * * *

§ 131. Control of outdoor advertising.

(a) * * *

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(m) There is authorized to be appropriated to carry out the provisions of this section, out of any money in the Treasury not otherwise appropriated, not to exceed $20,000,000 for the fiscal year ending June 30, 1966, not to exceed $20,000,000 for the fiscal year ending June 30, 1967, not to exceed $2,000,000 for the fiscal year ending June 30, 1970, not to exceed $27,000,000 for the fiscal year ending June 30, 1971, not to exceed $20,500,000 for the fiscal year ending June 30, 1972, and not to exceed $50,000,000 for the fiscal year ending June 30, 1973. [The provisions of this chapter relating to the obligation, period of availability and expenditure of Federal-aid primary highway funds shall apply to the funds authorized to be appropriated to carry out this section after June 30, 1967.] *There is authorized to be appropriated to carry out the provisions of this section, out of the Highway Trust Fund (other than the Mass Transit Account), $5,000,000 per fiscal year for each of the fiscal years ending September 30, 1985, and September 30, 1986. All provisions of this chapter that are applicable to Federal-aid primary highway funds, other than provisions relating to the apportionment formula, shall apply to funds authorized to be appropriated to carry out this section, except as determined by the Secretary to be inconsistent with this section.*

* * * * * * *

§ 138. Preservation of parklands.

It is hereby declared to be the national policy that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites. The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of the lands traversed. After the effective date of the Federal-Aid Highway Act of 1968, the Secretary shall not approve any program or project *(other than any project for a park road or parkway under section 204 of this title)* which requires the use of any publicly owned land from a public park, recreation area, or wildlife and waterfowl refuge of national, State, or local significance as determined by the Federal, State, or local officials having jurisdiction thereof, or any land from an historic site of national, State, or local significance as so determined by such officials unless (1) there is no feasible and prudent alternative to the use of such land, and (2) such program includes all possible planning to minimize harm to such park, recreational area, wildlife and waterfowl refuge, or historic site resulting from such use. In carrying out the national policy declared in this section the Secretary, in cooperation with the Secretary of the Interior and appropriate State and local officials, is authorized to conduct studies as to the most feasible Federal-aid routes for the movement of motor vehicular traffic through or around national parks so as to best serve the needs of the traveling public while preserving the natural beauty of these areas.

* * * * * * *

§ 144. Highway bridge replacement and rehabilitation program.

(a) * * *

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(e) Funds authorized to carry out this section shall be apportioned among the several States on October 1 of the fiscal year for which authorized in accordance with this subsection. Each deficient bridge shall be placed into one of the following categories: (1) Federal-aid system bridges eligible for replacement, (2) Federal-aid system bridges eligible for rehabilitation, (3) off-system bridges eligible for replacement, and (4) off-system bridges eligible for rehabilitation. The square footage of deficient bridges in each category shall be multiplied by the respective unit price on a State-by-State basis, as determined by the Secretary; and the total cost in each State divided by the total cost of the deficient bridges in all States shall determine the apportionment factors. No State shall receive more than 10 per centum or less than 0.25 per centum of the total apportionment for any one fiscal year. The Secretary shall make these determinations based upon the latest available data, which shall be updated annually. *Funds apportioned under this section shall be available for expenditure for the same period as funds apportioned for projects on the Federal-aid primary system under this title. Any funds not obligated at the expiration of such period shall be reapportioned by the Secretary to the other States in accordance with this subsection.*

* * * * * * *

(g)(1) * * *

(2) Of the amount authorized per fiscal year for each of the fiscal years ending September 30, 1983, *and* September 30, 1984, [September 30, 1985, and September 30, 1986,] by section 5(a)(1) of the Federal-Aid Highway Act of 1982 and section 202(1) of the Highway Safety Act of 1982, all but $200,000,000 per fiscal year shall be apportioned as provided in subsection (e) of this section. *Of the amount authorized per fiscal year for each of the fiscal years ending September 30, 1985, and September 30, 1986, by such sections, all but $300,000,000 per fiscal year shall be apportioned as provided in subsection (e) of this section.* $200,000,000 per fiscal year of the amount authorized for each of the fiscal years ending September 30, 1983, *and* September 30, 1984, [September 30, 1985, and September 30, 1986,] *and $300,000,000 per fiscal year of the amount authorized for each of the fiscal years ending September 30, 1985, and September 30, 1986,* shall be available for obligation on the date of each such apportionment in the same manner and to the same extent as the sums apportioned on such date, except that the obligation of such $200,000,000 *and $300,000,000* shall be at the discretion of the Secretary and shall be only for projects for those highway bridges the replacement or rehabilitation cost of each of which is more than $10,000,000, and for any project for a highway bridge the replacement or rehabilitation costs of which is less than

$10,000,000 if such cost is at least twice the amount apportioned to the State in which such bridge is located under subsection (e) of this section for the fiscal year in which application is made for a grant for such bridge. Not less than 15 per centum nor more than 35 per centum of the amount apportioned to each State in each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986, shall be expended for projects to replace or rehabilitate highway bridges located on public roads, other than those on a Federal-aid system. The Secretary after consultation with State and local officials may, with respect to a State, reduce the requirement for expenditure for bridges not on a Federal-aid system when he determines that such State has inadequate needs to justify such expenditure.

* * * * * * *

§ 154. National maximum speed limit.

(a) * * *

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(e) Each State shall submit to the Secretary such data as the Secretary determines by rule is necessary to support its certification under section 141 of this title for the twelve-month period ending on September 30 before the date the certification is required, including data on the percentage of motor vehicles exceeding fifty-five miles per hour on public highways with speed limits posted *on January 1, 1983,* at fifty-five miles per hour, *and on public highways built after such date with speed limits posted at 55 miles per hour,* in accordance with criteria to be established by the Secretary, including criteria which **[**takes**]** *take* into account the variability of speedometer readings and criteria based upon the speeds of all vehicles or a representative sample of all vehicles.

* * * * * * *

§ 157. Minimum allocation

(a) In the fiscal year ending September 30, 1983, as soon as practicable after the date of enactment of this Act, and in each of the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986, on October 1, the Secretary of Transportation shall allocate among the States, as defined in section 101 of this title amounts sufficient to insure that a State's percentage of the total apportionments in each such fiscal year of Interstate highway substitute, primary, secondary, Interstate, urban, bridge replacement and rehabilitation, hazard elimination, and rail-highway crossings funds under sections 103(e)(4), 104(b), 144, and 152 of this title and section 203 of the Highway Safety Act of 1973, as amended, shall not be less than 85 per centum of the percentage of estimated tax payments attributable to highway users in that State paid into the Highway Trust Fund, other than the Mass Transit Account, in the latest fiscal year for which data is available.

(b) Amounts allocated pursuant to subsection (a) of this section shall be available for obligation when allocated for the year authorized plus the three succeeding fiscal years, shall be subject to the provisions of this title 23 and may be obligated for Interstate highway substitute, primary, secondary, Interstate, urban, bridge replacement and rehabilitation, hazard elimination, and rail-highway crossings projects. *One-half of one per centum of amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out the requirements of section 134 of this title. One and one-half per centum of the amounts allocated to each State under this section in any fiscal year may be available for expnditure for the purpose of carrying out activities referred to in subsection (c) of section 307 of this title.* Obligation limitations for Federal-aid highways and highway safety construction programs established by this Act or any subsequent Act shall not apply to obligations made under this section, except where the provision of law establishing such limitation specifically amends or limits the applicability of this sentence. Sums allocated pursuant to this section shall not be considered to be sums allocated for purposes of section 104(b) of the Highway Improvement Act of 1982.

(c) In order to carry out this section there is authorized to be appropriated out of the Highway Trust Fund, other than the Mass Transit Account, such sums as may be necessary for each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986.

CHAPTER 2—OTHER HIGHWAYS

* * * * * * *

§ 204. Federal Lands Highways Program

(a) Recognizing the need for all Federal roads which are public roads to be treated under the same uniform policies as roads which are on the Federal-aid systems, there is established a coordinated Federal lands highways program which shall consist of the forest highways, public lands highways, park roads, parkways, and Indian reservation roads as defined in section 101 of this title.

(b) Funds available for forest highways and public lands highways shall be used by the Secretary to pay for the cost of construction and improvement thereof. Funds available for park roads, parkways, and Indian reservation roads shall be used by *the Secretary or* the Secretary of the Interior to pay for the cost of construction and improvement thereof. In connection therewith, the Secretary and the Secretary of the Interior, as appropriate, may enter into construction contracts and such other contracts with a State or civil subdivison thereof or Indian tribe as deemed advisable. In the case of Indian reservation roads, Indian labor may be employed in such constuction and improvement under such rules and regulations as may be prescribed by the Secretary of the Interior. No ceiling on Federal employment shall be applicable to construction or improvement of Indian reservation roads.

* * * * * * *

CHAPTER 3—GENERAL PROVISIONS

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§ 319. Landscaping and scenic enhancement.

(a) The Secretary may approve as a part of the construction of Federal-aid highways the costs of landscape and roadside development, including acquisition and development of publicly owned and controlled rest and recreation areas and sanitary and other facilities reasonably necessary to accommodate the traveling public, and for acquisition of interest in and improvement of strips of land necessary for the restoration, preservation, and enhancement of scenic beauty adjacent to such highways.

(b) The Secretary shall approve the planting of native wildflower seeds and seedlings as part of any lnadscaping contract under this title. Not to exceed one quarter of one percent of the funds expended for landscaping shall be used for such plantings. The requirements of this subsection may be waived by the Secretary if the State certifies that such native wildflowers or seedling cannot be grown satisfactorily or planting areas are limited.

* * * * * * *

SURFACE TRANSPORTATION ASSISTANCE ACT OF 1982

TITLE I

* * * * * * *

OBLIGATION CEILING

SEC. 104. (a) Notwithstanding any other provision of law, the total of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $12,100,000,000 for fiscal year 1983;

(2) $12,750,000,000 for fiscal year 1984;

(3) $13,550,000,000 *(plus an amount equal to the excess, if any, of $12,600,000,000 over the total amount of funds obligated in fiscal year 1984 for Federal-aid highway and highway safety construction programs with respect to which the obligation ceiling established for such program by title I of the Department of Transportation and Related Agencies Appropriations Act, 1984 (97 Stat. 460) applies)* for fiscal year 1985; and

(4) $14,450,000,000 for fiscal year 1986.

These limitations shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, or projects covered under section 147 of the Surface Transportation Assistance Act of 1978, or section 9 of the Federal-Aid Highway Act of 1981 or section 118 of the National Visitor Center Facilities Act of 1968. No obligation constraints shall be placed upon any ongoing emergency project carried out under section 125 of title 23, United States Code, or section 147 of the Surface Transportation Assistance Act of 1978.

* * * * * * *

(f)(1) If, on September 30, 1983, any State had unobligated funds apportioned to it under sections 104 and 144 of title 23, United

States Code, the Secretary of Transportation shall determine for such State—

(A) the ratio of the amount of such unobligated funds to the total amount of the funds apportioned to such State under such sections in fiscal year 1983; and

(B) an amount equal to one-third of the total amount of the funds apportioned to such State under such sections in such fiscal year.

(2) If the ratio determined under paragraph (1)(A) for any State is greater than one to three, the amount of funds which, but for this subsection, such State may obligate in each of fiscal years 1985, 1986, and 1987 for Federal-aid highways and highway safety construction programs shall be increased by an amount equal to one-third of the amount determined by subtracting (A) the amount determined under paragraph (1)(B) for such State, from (B) the amount of funds which were apportioned to such State under sections 104 and 144 of title 23, United States Code, and which were not obligated on September 30, 1983.

(3) This subsection shall not affect the amount of funds apportioned or allocated to any State for Federal-aid highways and highway safety construction.

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FEDERAL-AID PRIMARY FORMULA

SEC. 108. (a) * * *

* * * * * * *

(d) Notwithstanding any other provision of law, no State shall receive an apportionment under this section for any fiscal year which is less than the lower of (1) the amount which the State would be apportioned for such fiscal year under section 104(b)(1) of title 23, United States Code, and (2) the amount which would be determined under the formula set forth in subsection (a). Notwithstanding any other provison of law, no State shall receive for any such fiscal year less than one-half of 1 per centum of the total apportionment under this section for such fiscal year. For purposes of this paragraph and subsection (b) of section 103 of [this title,] title 23, United States Code, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands shall be considered together as one State. The State consisting of the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Mariana Islands shall not receive less than one-half of 1 per centum of each year's apportionment. There are authorized to be appropriated such sums as may be necessary out of the Highway Trust Fund to carry out this subsection. Funds authorized by this subsection shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code.

* * * * * * *

BICYCLE TRANSPORTATION

[Sec. 126] *Sec. 126A.* Section 217 of title 23, United States Code, is amended to read as follows:

* * * * * * *

VEHICLE WEIGHT, LENGTH, AND WIDTH LIMITATIONS

Sec. 133. [(a)] Section 127 of title 23 of the United States Code is amended to read:

* * * * * * *

USE OF HIGH OCCUPANCY LANES

Sec. 163. Notwithstanding any provision of this Act or any other law, no funds shall be [appropriated] *apportioned* for the construction or resurfacing of Federal aid highways which have lanes designated as carpool lanes unless the use of such lanes includes use by motorcycles. Upon certification by the State to the Secretary of Transportation, the State may restrict such use by motorcycles if such use would create a safety hazard.

* * * * * * *

BUY AMERICA

Sec. 165. (a) Notwithstanding any other provision of law, the Secretary of Transportation shall not obligate any funds authorized to be appropriated by this Act or by any Act amended by this Act or after the date of enactmnent of this Act, any funds autorized to be appropriated to carry out this Act, title 23, United States Code, the Urban Mass Transportation Act of 1964, or the Surface Transportation Assistance Act of 1978 and administered by the Department of Transportation, unless steel and manufactured products used in such project are produced in the United States *and unless none of the cement used in such project is produced or manufactured in any foreign country which is located in North America.*

(b) The provisions of subsection (a) of this section shall not apply where the Secretary finds—

(1) that their application would be inconsistent with the public interest;

(2) that such materials and products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality;

(3) in the case of the procurement of bus and other rolling stock (including train control, communication, and traction power equipment) under the Urban Mass Transportation Act of 1964, that (A) the cost of components which are produced in the United States is more than [50] *85* per centum of the cost of all components of the vehicle or equipment described in this paragraph, and (B) final assembly of the vehicle or equipment described in this paragraph has taken place in the United Stats; *or*

(4) that inclusion of domestic material will increase the cost of the overall project contract by more than 10 per centum in

the case of projects for the acquisition of rolling stock, and 25 per centum in the case of all other projects.

* * * * * * *

TITLE III

* * * * * * *

BLOCK GRANTS

SEC. 303. [(a)] The Urban Mass Transportation Act of 1964 is amended by inserting immediately after section 8 the following new sections:

* * * * * * *

FEASIBILITY STUDY

[SEC. 314. (a) The Secretary of Transportation shall make a grant to the Massachusetts Bay Transportation Authority to conduct a feasibility study to examine the possibility of replacing either any or all three of the existing electric trolley bus lines (and thereby eliminating the overhead power lines) in Cambridge, Massachusetts, with the more advanced and equally environmentally sound electric bus technology that is being developed in the State of California for the Santa Barbara transit system.]

SEC. 314. (a) The Secretary of Transportation shall make a grant to the Niagara Frontier Transportation Authority to conduct a feasibility study to examine the possibility of constructing and operating in Buffalo, New York, an electric trolley bus line with the advanced and environmentally sound electric bus technology that is being developed in the State of California for the Santa Barbara transit system.

* * * * * * *

SECTION 104 OF THE MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT OF 1972

PERMIT CONDITIONS

Sec. 104. (a) * * *

* * * * * * *

(i) (1) * * *

* * * * * * *

(4) (A) Upon a determination by the Administrator that a permit to which this subsection applies should be issued, the Administrator shall transmit such a recommendation to the House of Representatives and the Senate.

(B) No permit may be issued by the Administrator under this Act for the disposal of radioactive materials in the ocean unless the Congress, by approval of a resolution described in paragraph (D) within 90 days of continuous session of the Congress beginning on the date after the date of receipt by the Senate and the House of

Representatives of such recommendation, authorizes the Administrator to grant a permit to dispose of radioactive material under this Act.

(C) For purposes of this subsection—

(1) continuity of session of the Congress is broken only by an adjournment sine die;

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the 90 day calendar period.

(D) For the purposes of this subsection, the term "resolution" means a joint resolution, the resolving clause of which is as follows: "That the House of Representatives and the Senate approve and authorize the Administrator of the Environmental Protection Agency to grant a permit *to* ———————— under the Marine Protection, Research, and Sanctuaries Act of 1972 to dispose of radioactive materials in the ocean as recommended by the Administrator to the Congress on ————––, 19——."; the first blank space therein to be filled with the appropriate applicant to dispose of nuclear material and the second blank therein to be filled with the date on which the Administrator submits the recommendation to the House of Representatives and the Senate.

SECTION 7 OF THE ACT OF MARCH 9, 1984

An Act to apportion certain funds for construction of the National System of Interstate and Defense Highways for fiscal year 1985 and to increase the amount authorized to be expended for emergency relief under title 23, United States Code, and for other purposes

Sec. 7. Upon application by the State of Maryland, and after approval of withdrawal by the Secretary of Transportation of unbuilt portions of Interstate route I-83 in Baltimore, Maryland, under section 103(e)(4) of title 23, United States Code, the Secretary shall transfer *not to exceed* $100,000,000 from the apportionment of such State under section 104(b)(5)(A) of such title to the apportionment of such State under section 104(b)(5)(B) of such title. Upon transfer of such funds, the estimate of the cost of completing substitute highway projects in such State prepared under section 103(e)(4) of such title shall be reduced by [$100,000,000.] *by an amount equal to the amount of such funds.* Of funds apportioned to such State under section 104(b)(5)(B) of such title, [$100,000,000] *an amount equal to the amount of funds transferred under this section* shall be obligated for resurfacing, restoring, rehabilitating, and reconstructing portions of such Interstate route open to traffic. Any funds transferred under this section shall continue to be available for expenditure in such State until the last day of the second fiscal year following the fiscal year in which such transfer is made. Any amount of funds so transferred which have not been obligated by such last day shall lapse and shall be made available by the Secretary for projects under section 118(b)(3) of such title.

SECTION 303 OF TITLE 49, UNITED STATES CODE

§ 303. Policy on lands, wildlife and waterfowl refuges, and historic sites

(a) It is the policy of the United States Government that special effort should be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites.

(b) The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States, in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of lands crossed by transportation activities or facilities.

(c) The Secretary may approve a transportation program or project *(other than any project for a park road or parkway under section 204 of title 23)* requiring the use of public owned land of a public park, recreation area, or wildlife and waterfowl refuge of national, State, of local significance, or land of an historic site of national, State, or local significance (as determined by the Federal, State, or local officials having jurisdiction over the park, area, refuge, or site) only if—

(1) there is no prudent and feasible alternative to using that land; and

(2) the program or project includes all possible planning to minimize harm to the park, recreation area, wildlife and waterfowl refuge, or historic site resulting from the use.

URBAN MASS TRANSPORTATION ACT OF 1964

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Sec. 3. (a)(1) * * *

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[(4) The Secretary is authorized to announce an intention to obligate for a project under this section through the issuance of a letter of intent to the applicant. At least thirty days prior to the issuance of a letter of intent under this paragraph, the Secretary shall notify, in writing, the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban affairs of the Senate, of the proposed issuance of such letter of intent. Such an action shall not be deemed an obligation as defined under section 1311 of the Act of August 26, 1954, as amended (31 U.S.C. 200), nor shall such a letter be deemed as administrative commitment. The letter shall be regarded as an intention to obligate from future available budget authority provided in an appropriation Act not to exceed an amount stipulated as the Secretary's financial participation in the defined project under this section. The amount stipulated in the letter, when issued for a fixed guideway project, shall be sufficient to complete an operable segment. No obligation or administrative commitment may be made pursuant to such a letter of intent except as funds are provided in appropriations Acts. The total estimated amount of future Federal obligations covered by all outstanding letters of intent shall not exceed the amount authorized to carry out section 3 of this Act, less an amount reasonably estimated by the Secretary to be necessary for grants under this section which are not covered by a letter of intent. The total amount covered by new letters issued shall not exceed any limitation that may be specified in an appropriations Act. Nothing in this paragraph shall affect the validity of letters of intent issued prior to the enactment of the Federal Public Transportation Act of 1978. Funding for projects covered by letters of intent or letters of commitment issued, and full funding contracts executed, prior to the date of enactment of the Federal Public Transportation Act of 1982 should be funded under this section while not precluding the funding of a portion of such projects using section 9 capital funds unless such funding would impair the recipient's ability to fund routine capital projects under such section. Notwithstanding the provisions of section 4(a), the Federal share of the total project cost of any project under this section covered by a full funding contract, letter of intent, or letter of commitment in effect on the date of enactment of the Federal Public Transportation Act of 1982, or those projects within the federally agreed upon scope for the Washington, District of Columbia, metropolitan area transit system (as of such date), shall not be altered.**]**

(4)(A) Subject to the provisions of this paragraph, the Secretary may enter into a multi-year contract with an applicant to carry out a project under this section if, at least 30 days before such contract becomes effective, the Secretary notifies, in writing, the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of such contract and submits a summary and copy of such contract to such committees.

(B) Subject to the provisions of subparagraph (C) and subsection (i) of this section, if the Secretary and an applicant enter into a multi-year contract to carry out a project, such contract shall be, on and after the date of entry into such contract, a contractual obligation of the Federal Government for the payment of its proportional contribution of the cost of the project in any fiscal year (including any future fiscal year) for which funds are authorized to be appropriated out of the Mass Transit Account of the Highway Trust Fund to carry out this section.

(C) The total amount which the Secretary may obligate for any fiscal year (including any future fiscal year) under all multi-year contracts entered into under this paragraph shall not exceed the amount authorized to be appropriated out of the Mass Transit Account of the Highway Trust Fund to carry out this section for such fiscal year, less an amount reasonably estimated by the Secretary to be necessary for grants under this section which are not covered by a multi-year contract.

(D) The amount stipulated in a multi-year contract to carry out a fixed guideway project shall be sufficient to complete an operable segment.

(E) Notwithstanding any other provision of law, a multi-year contract entered into under this paragraph shall not be subject to (i) any future availability of funds for obligation, except as provided in subparagraph (C), subsection (i) of this section, and section 9503(e)(4)

of the Internal Revenue Code of 1954, and (ii) any obligation limitation, except an obligation limitation imposed by section 21(a)(2)(G).

(F) Any obligation limitation imposed by section 21(a)(2)(G) for any fiscal year shall apply with respect to a multi-year contract entered into under this paragraph only to funds expended under such contract in such fiscal year.

* * * * * * *

(7) Except as provided in paragraph (8) of this subsection, any recipient that has carried out a transfer under section 9(l) of this Act for a fiscal year beginning after September 30, 1984, may not receive a grant under this section in such fiscal year, unless such grant is—

(A) for emergency repairs, as determined by the Secretary;

(B) made pursuant to a letter of intent issued, or full funding contract executed, under paragraph (4) of this subsection before the date of enactment of this subparagraph; or

(C) for a project which has a high priority on the plan prepared by the Secretary for allocation of resources under this section for such fiscal year;

and unless, in the case of projects referred to in subparagraph (C), such recipient agrees with the Secretary that the amount of the Federal grants for such projects, as determined under section 4(a) of this Act, shall be reduced in the aggregate by an amount equal to the amount of the capital assistance transferred under such transfer.

(8) Any recipient that has carried out a transfer under section 9(l) of this Act for any fiscal year beginning after September 30, 1984, received Federal assistance under section 1139(b) of the Omnibus Budget Reconciliation Act of 1981, and carried out a transfer under section 9(l) of this Act in the fiscal year ending September 30, 1983, may not receive a grant under this section in such fiscal year beginning after September 30, 1984, in an amount which would make the percentage of the funds appropriated to carry out this section which such recipient receives under grants under this section in such fiscal year beginning after September 30, 1984, greater than the percentage of funds appropriated to carry out this section which such recipient received under grants under this section in the fiscal year ending September 30, 1983.

* * * * * * *

(i)(1) As soon as practicable after the date of enactment of this subsection and not later than July 1, 1985, and each July 1 thereafter, the Secretary shall prepare and transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate—

(A) a proposal of the total amount of funds which should be made available under section 21(a)(2)(C)(iv) of this Act to finance for the fiscal year beginning on October 1 of such year grants and loans for each of the following:

(i) the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities,

(ii) rail modernization, and

(iii) construction of fixed guideway systems and extensions to fixed guideway systems;

(B) a proposal of the allocation of the funds to be made available (including any funds proposed to be made available pursuant to clauses (ii) and (iii) of subparagraph (A)) for such fiscal year to finance grants and loans for rail modernization and for construction of new fixed guideway systems and extensions to fixed guideway systems among applicants for such assistance.

Such proposals shall reflect obligations made for each fiscal year under multi-year contracts entered into under subsection (a)(4) of this section.

(2) Notwithstanding any other provision of this section, no funds may be made available to finance grants and loans under this section for any fiscal year beginning after September 30, 1985, until a proposal transmitted by the Secretary under this subsection for such year (including only revisions thereof) is approved by law.

(3) Upon approval by law of a proposal transmitted under this subsection for any fiscal year beginning after September 30, 1985, the Secretary shall make the amount of funds approved under this subsection available for obligation for such fiscal year and shall allocate the funds for such fiscal year in accordance with the allocations approved under this subsection.

(j)(1) Upon application of a State or local public body which carries out a project described in this section or portion of such a project without the aid of Federal funds in accordance with all procedures and requirements applicable to such a project and upon the Secretary's approval of such application, the Secretary may pay to such applicant the Federal share of the net project costs if prior to carrying out such project or portion, the Secretary approves the plans and specifications therefor in the same manner as other projects under this section.

(2) Subject to the provisions of this paragraph, the cost of carrying out a project or portion thereof, the Federal share of which the Secretary is authorized to pay under this subsection, shall include the amount of any interest earned and payable on bonds issued by the State or local public body to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion. In no event shall the amount of interest considered as a cost of carrying out a project or portion thereof under the preceding sentence be greater than the excess of (A) the amount which would be the estimated cost of carrying out the project or portion if the project or portion were to be carried out at the time the project or portion is converted to a regularly funded project, over (B) the actual cost of carrying out such project or portion (not including such interest). The Secretary shall consider changes in construction cost indices in determining the amount under clause (A) of this paragraph.

(k) No grant or loan for construction of a new fixed guideway system or extension of any fixed guideway system may be made under this section unless the Secretary determines that the proposed project (1) is based on the results of an alternatives analysis and preliminary engineering, (2) is cost-effective, and (3) is supported by an acceptable degree of local financial commitment, including evidence of stable and dependable funding sources to construct, main-

tain, and operate the system or extension. The Secretary shall issue guidelines that set forth the means by which the Secretary will evaluate cost-effectiveness, results of alternatives analysis, and degree of local financial commitment. In making grants and loans under this section, the Secretary may also consider such other factors as the Secretary deems appropriate.

NET PROJECT COST, FEDERAL SHARE, AND AUTHORIZATIONS

SEC. 4. (a) * * *

* * * * * * *

(d) There are authorized to be appropriated $10,000,000 in each fiscal year for the fiscal years ending September 30, 1979, September 30, 1980, and September 30, 1981, [$5,000,000 for the fiscal year ending September 30, 1984, and $10,000,000 per fiscal year for each of the fiscal years ending September 30, 1985, and September 30, 1986, to carry out the functions of section 11(b) of this Act.] *There are authorized to be appropriated to carry out section 11(b) of this Act for the fiscal year ending September 30, 1985, out of the Highway Trust Fund (other than the Mass Transit Account), $5,000,000, and, out of the Mass Transit Account of the Highway Trust Fund, $5,000,000; for the fiscal year ending September 30, 1986, out of the Highway Trust Fund (other than the Mass Transit Account), $5,000,000, and out of the Mass Transit Account of the Highway Trust Fund, $5,000,000; and for the fiscal year ending September 30, 1987, out of the Highway Trust Fund (other than the Mass Transit Account), $5,000,000, and, out of the Mass Transit Account of the Highway Trust Fund, $5,000,000. Notwithstanding any other provision of law, approval by the Secretary of a grant with funds made available under the preceding sentence shall be deemed a contractual obligation of the United States for payment of the Federal share of the cost of the project. Funds authorized to be appropriated, out of the Mass Transit Account of the Highway Trust Fund, by this subsection to carry out section 11(b) of this Act shall not be subject to any obligation limitation.* Sums appropriated pursuant to this subsection shall remain available until expended.

* * * * * * *

[(g) There are authorized to be appropriated not to exceed $365,000,000 for the fiscal year ending September 30, 1983, $380,000,000 for the fiscal year ending September 30, 1984, $390,000,000 for the fiscal year ending September 30, 1985, and $400,000,000 for the fiscal year ending September 30, 1986, to carry out public transportation projects substituted for Interstate segments withdrawn under section 103(e)(4) of title 23, United States Code, except that there are authorized to be appropriated not to exceed $600,000,000 for such projects for the fiscal year ending September 30, 1982.]

(g) There are authorized to be appropriated not to exceed $600,000,000 for the fiscal year ending September 30, 1982, $365,000,000 for the fiscal year ending September 30, 1983, $380,000,000 for the fiscal year ending September 30, 1984, and such sums as may be necessary for the fiscal years ending September 30, 1985, and September 30, 1986, to carry out public transportation

projects substituted for Interstate segments withdrawn under section 103(e)(4) of title 23, United States Code.

* * * * * * *

(i) The Secretary is authorized to make grants to States and local public bodie[s, using sums available pursuant to section 4(c)(3)(A) of this section,] for projects for the deployment of innovative techniques and methods in the management and operation of public transportation services. In each fiscal year grants for any one State shall not exceed twelve and one-half per centum of the funds available for the purposes of the subsection.

URBAN MASS TRANSIT PROGRAM

SEC. 5.(a)(1)(A) * * *

* * * * * * *

(3)(A) To make grants for construction and operating assistance projects under this subsection involving commuter rail or other fixed guideway systems, the Secretary shall apportion for expenditure in each fiscal year the sums appropriated pursuant to subparagraph (B) of this paragraph. Such sums shall be made available for expenditure in urbanized areas or parts thereof on the basis of a formula under which urbanized areas or parts thereof will be entitled to receive an amount equal to the sum of—

(i) two-thirds of the total amount to be apportioned as follows: one-half multiplied by a ratio which the number of commuter rail train miles operated within or serving the urbanized area in the prior fiscal year bears to the total number of commuter rail train miles operated in or serving all urbanized areas in the prior fiscal year, and one-half multiplied by a ratio which the number of commuter rail route miles operated within or serving the urbanized area in the prior fiscal year bears to the total number of commuter rail route miles operated in or serving all urbanized areas in the prior fiscal year. No single eligible State's portion of an urbanized area shall receive in an fiscal year less than one-half per centum or more than thirty per centum of the sums appropriated for such fiscal years pursuant to this clause;

(ii) one-third of the total amount to be apportioned multiplied by the ratio that the number of fixed guideway system route miles (excluding commuter rail route miles) in the urbanized area in the prior fiscal year bears to the total number of such fixed guideway system route miles (excluding commuter rail route miles) in all urbanized areas in the prior fiscal year. For the purposes of the calculation to be made under this subparagraph, no single State's portion of an urbanized area shall receive more than 30 per centum of the sums appropriated for such fiscal year pursuant to this clause.

Sums apportioned under this paragraph shall be available for expenditure only for construction or operating assistance projects involving commuter rail or other fixed guideway systems, *except that such sums may also be available for expenditure for bus and bus-related facilities if there are no commuter rail or fixed guideway* *systems in operation and attributable to the urbanized area in the fiscal year of apportionment.*

* * * * * * *

(h)(1) The Governor or the designated recipient of the urbanized area shall submit to the Secretary for his [approach] *approval* such surveys, plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary shall act upon such surveys, plans, specifications, and his entering into a grant or contract agreement with respect to any such project shall be a contractual obligation of the Federal Government for the payment of its proportional contribution thereto.

* * * * * * *

(j)(1) The Secretary may discharge any of his responsibilities under this [action] *section* with respect to a project under this section upon the request of any Governor or designated recipient of the urbanized area by accepting a certification by the Governor or his designee, or by the designated recipient of the urbanized area, if he finds that such project will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to this section.

* * * * * * *

(m) [The] *(1) Except as provided in paragraph (2) of this subsection, the* Secretary shall not approve any project under this section unless the applicant agrees and gives satifactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that the rates charged elderly and handicapped persons during nonpeak hours for transportation utilizing or involving the facilities and equipment of the project financed with assistance under this section will not exceed one-half of the rates generally applicable to other persons at peak hours, whether the operation of such facilities and equipment is by the applicant or is by another entity under lease or otherwise.

(2) An applicant whose existing fare collection system does not reasonably permit the collection of half fares may continue to use a preferential fare system for elderly and handicapped persons which was in effect on or before November 26, 1974, and which incorporates the offering of a free return ride upon payment of the generally applicable full fare, except that such a system may be used after the 120th day following the date of enactment of the Federal Mass Transportation Act of 1984 only if such system is available for use by all elderly and handicapped persons.

* * * * * * *

(o) Notwithstanding any other provision of this section, any sums apportioned under this section before October 1, [1982,] *1983,* and available for expenditure in any urbanized area or part thereof on such date shall remain available for expenditure in such area or part in accordance with the provisions of this section until September 30, 1985. Any sums so apportioned remaining unobligated on October 1, 1985, shall be added to amounts available for apportionment under section 9 of this Act for the fiscal year ending September 30, 1986.

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BLOCK GRANTS

SEC. 9. (a)(1) * * *

* * * * * * *

(k)(1) The Federal grant for any construction project (including capital maintenance items) under this section shall not exceed 80 per centum of the net project cost of such project. The Federal grant for any project for operating expenses shall not exceed 50 per centum of the net project cost of such project. The remainder shall be provided in cash from sources other than Federal funds or revenues from the operation of public mass transportation systems. Any public or private transit system funds so provided shall be solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital.

The amount of funds apportioned under this section which may be used for operating assistance shall not exceed 80 per centum of the amount of funds apportioned in fiscal year 1982 under paragraphs (1)(A), (2)(A), and (3)(A) of section 5(a) of this Act to an urbanized area with a population of 1,000,000 or more, 90 per centum of funds so apportioned to an urbanized area with a population of 200,000 or more and less than 1,000,000 population; and 95 per centum of funds so apportioned to an urbanized area of less than 200,000 population. Notwithstanding the preceding sentence, an urbanized area that became an urbanized area for the first time under the 1980 census may use [not to exceed 40 per centum of its apportionment under this section for operating assistance.] *for operating assistance not to exceed 40 per centum of the amount which would be apportioned in any fiscal year for expenditure in such urbanized area under this section if the total amount authorized to be appropriated from the general fund of the Treasury under section 21(a)(1) of this Act for such fiscal year were appropriated.*

* * * * * * *

(l)(1)(A) Notwithstanding the provisions of subsection (k)(1), any recipient may, in fiscal years 1983 [and 1984,], *1984, 1985, and 1986,* transfer, for use for operating assistance, a portion of its apportionment under this section that otherwise is available only for capital assistance, except that the recipient's total operating assistance under this section (including any amounts transferred from its capital apportionment) for the fiscal year in which the transfer occurs shall not exceed the amount of Federal funds such recipient was apportioned under sections 5(a)(1)(A), 5(a)(2)(A), and 5(a)(3)(A) of this Act for the fiscal year ending September 30, 1982. The total operating assistance under this section (including any amounts transferred from its capital apportionment) for a recipient in an urbanized area that became an urbanized area for the first time under the 1980 census may not exceed 50 per centum of [its apportionment under this section.] *the amount which would be apportioned in any fiscal year for expenditure in such urbanized area* *under this section if the total amount authorized to be appropriated from the general fund of the Treasury under section 21(a)(1) of this Act for such fiscal year were appropriated.*

(B) Notwithstanding any other provision of law, a recipient may use its captial apportionment under section 5(a)(4) of this Act in fiscal year 1983 for purposes of carrying out a transfer under this subsection. No source of capital assistance under this Act (other than under section 5(a)(4)) may be used for such a transfer in such fiscal year.

(2) Any recipient that intends to carry out a transfer under this subsection shall, at the time it submits a proposed program of projects to the Secretary under subsection (e)(2)—

(A) certify that is has provided public notice of its intent to transfer its capital apportionment (including notice of the funding reductions resulting from utilization of this subsection and other requirements of this subsection) and provided an opportunity for public comment; and

(B) certify that it has developed a [three-year] plan to assure that in the fiscal year ending September 30, [1985,] *1987,* it will not need to use and will not use its capital apportionment for operating assistance.

(3) Whenever any recipient transfers its capital apportionment for operating assistance in accordance with the requirements of this subsection, two-thirds of the amount transferred shall be available to the recipient for operating assistance and the remaining one-third amount shall be available to the Secretary to make discretionary grants under this section *for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities.* In making such discretionary grants, first priority shall be given to any urbanized area that is apportioned an amount under this section in fiscal year [1983] *1984* which is less than the amount such urbanized area was apportioned under section 5 of this Act for the fiscal year ending September 30, 1982. Any amounts remaining shall be available for [discretionary construction] *such discretionary* grants under this section subject to the second and third sentences of section 4(a).

[(4) The authority of recipients to use the provisions of this paragraph shall terminate on September 30, 1984.]

(4) Any recipient of a grant under section 3 of this Act in any fiscal year beginning after September 30, 1984, may not carry out a transfer under this subsection in such fiscal year, unless—

(A) such grant is—

(i) for emergency repairs, as determined by the Secretary;

(ii) made pursuant to a letter of intent issued, or full funding contract executed, under section 3(a)(4) of this Act before the date of enactment of this subparagraph; or

(iii) for a project which has a high priority on the plan prepared by the Secretary for allocation of resources under section 3 of this Act for such fiscal year and for an amount which has been reduced in accordance with section 3(a)(7) of this Act; or

(B) such recipient received Federal assistance under section 1139(b) of the Omnibus Budget Reconciliation Act of 1981 and carried out a transfer under this subsection in the fiscal year

ending September 30, 1983, and the percentage of the funds appropriated to carry out section 3 of this Act which such recipient will receive under grants made under such section 3 in the fiscal year beginning after September 30, 1984, will not exceed the percentage of the funds appropriated to carry out such section 3 which such recipient received under grants under such section 3 in the fiscal year ending September 30, 1983.

* * * * * * *

(p)(1) When a recipient has obligated all funds apportioned to it under this section and proceeds to carry out any project described in this section (other than a project for operating expenses) or portion of such a project without the aid of Federal funds in accordance with all procedures and all requirements applicable to such a project, except insofar as such procedures and requirements limit a State to carrying out projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such recipient and his approval of such application, is authorized to pay to such recipient the Federal share of the costs of carrying out such project or portion when additional funds are apportioned to such recipient under this section if prior to carrying out such project or portion, the Secretary approves the plans and specifications therefor in the same manner as other projects under this section.

(2) The Secretary may not approve an application under this subsection unless an authorization for this section is in effect for the fiscal year for which the application is sought beyond the currently authorized funds for such recipient. No application may be approved under this subsection which will exceed the recipient's expected apportionment of such authorization which is expected to be available for projects under this section (other than projects for operating expenses).

(3) Subject to the provisions of this paragraph, the cost of carrying out a project or portion thereof, the Federal share of which the Secretary is authorized to pay under this subsection, shall include the amount of any interest earned and payable on bonds issued by the recipient to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion. In no event shall the amount of interest considered as a cost of carrying out a project or portion under the preceding sentence be greater than the excess of (A) the amount which would be the estimated cost of carrying out the project or portion if the project or portion were to be carried out at the time the project or portion is converted to a regularly funded project, over (B) the actual cost of carrying out such project or portion (not including such interest). The Secretary shall consider changes in construction cost indices in determining the amount under clause (A) of this paragraph.

* * * * * * *

GRANTS FOR RESEARCH AND TRAINING IN URBAN TRANSPORTATION PROBLEMS

SEC. 11. (a) The Secretary is authorized to make grants to public and private nonprofit institutions of higher learning to assist in establishing or carrying on comprehensive research in the problems of transportation in urban areas. Such grants shall be used to conduct competent and qualified research and investigations into the theoretical or practical problems of urban transportation, or both, *and to provide for the training of persons to carry on further research or to obtain employment in private or public organizations which plan, construct, operate, or manage urban transportation systems.* Such research and investigations may include, without being limited to, the design and functioning of urban mass transit systems; the design and functioning of urban roads and highways; the interrelationship between various modes of urban and interurban transportation; the role of transporation planning in overall urban planning; public preferences in transportation; the economic allocation of transportation resources; and the legal, financial, engineering, and esthetic aspects of urban transportation. In making such grants the Secretary shall give preference to institutions of higher learning that undertake such research and training by bringing together knowledge and expertise in the various social science and technical disciplines that relate to urban transportation problems.

⟦(b)(1) In addition to grants authorized by subsection (a) of this section, the Secretary is authorized to make grants for the purpose of establishing and operating transportation centers at nonprofit institutions of higher learning.

⟦(2) The institutions receiving assistance under this subsection shall be selected by the Secretary, in coordination with State transportation agencies or departments, on the basis of demonstrated research and extension resources capable of contributing to the solution of State and regional transportation problems.

⟦(3) The responsibilities and duties of each transportation center shall include, but not be limited to, the conduct of competent research investigations, both scientific and policy oriented, and experiments of either a basic or practical nature in relation to transporatation problems.

⟦(4) In order for an institution to receive Federal funds under this subsection, subject to the conditions set forth therein, such institution in coordination with the State in which the institution is located (or, in the case of multi-institutional programs authorized under paragraph (6) of this subsection, in coordination with the States in which the participating institutions are located) shall submit to the Secretary for his approval a program or programs of proposed projects for the academic year for the utilization of such funds. The Secretary shall act upon programs submitted to him by March 15 preceding the fiscal year for which application for assistance is made (except in the case of fiscal year 1979, for which The Secretary shall act upon programs submitted to him as soon as practicable).

⟦(5) As a condition to project approval, the amount of the Federal grant must be equally matched from other than Federal funds.

⟦(6) Upon the joint application of two or more institutions of higher learning, the Secretary may approve a multi-institutional program to address regional transportation problems, subject to conditions set forth in this subsection.

[(7) On or before July 1 of each fiscal year for which funds have been appropriated under this subsection, each participating institution shall submit a report to the Secretary on its activities and progress in solving transportation problems, which include bona fide research and training in urban transportation. On or before October 1 of each such fiscal year, the Secretary shall submit a report to Congress on the activities and progress of the program authorized by this subsection in solving transportation problems and achieving national transportation policy objectives.]

(b)(1) In addition to grants authorized by subsection (a) of this section, the Secretary shall make grants to one or more nonprofit institutions of higher learning to establish and operate one regional transportation center in each of the ten Federal regions which comprise the Standard Federal Regional Boundary System.

(2) The responsibilities of each transportation center established under this subsection shall include, but not be limited to, the conduct of infrastructure research concerning transportation and research and training concerning transportation of passengers and property and the interpretation, publication, and dissemination of the results of such research.

(3) Any nonprofit institution of higher learning interested in receiving a grant under this subsection shall submit to the Secretary an application in such form and containing such information as the Secretary may require by regulation.

(4) The Secretary shall select recipients of grants under this subsection on the basis of the following criteria:

(A) The regional transportation center shall be located in a State which is representative of the needs of the Federal region for improved transportation services and facilities.

(B) The demonstrated research and extension resources available to the grant recipient for carrying out this subsection.

(C) The capability of the grant recipient to provide leadership in making national and regional contributions to the solution of both long-range and immediate transportation problems.

(D) The grant recipient shall have an established transportation program or programs encompassing several modes of transportation.

(E) The grant recipient shall have a demonstrated commitment to supporting ongoing transportation research programs with regularly budgeted institutional funds of at least $200,000 per year.

(F) The grant recipient shall have a demonstrated ability to disseminate results of transportation research and educational programs through a statewide or regionwide continuing education program.

(G) The projects which the grant recipient proposes to carry out under the grant.

(5) No grant may be made under this section in any fiscal year unless the recipient of such grant enters into such agreements with the Secretary as the Secretary may require to ensure that such recipient will maintain its aggregate expenditures from all other sources for establishing and operating a regional transportation center and related research activities at or above the average level of such ex-

penditures in its two fiscal years preceding the date of enactment of this subsection.

(6) The Federal share of a grant under this subsection shall be 50 percent of the costs of establishing and operating the regional transportation center and related research activities carried out by the grant recipient.

(7)(A) The Secretary shall establish in the Department of Transportation a national advisory council to coordinate the research and training to be carried out by the grant recipients, to disseminate the results of such research, to act as a clearinghouse between such centers and the transportation industry, and to review and evaluate programs carried out by such centers.

(B) The council shall be composed of the directors of the regional transportation centers and 19 other members appointed by the Secretary as follows:

(i) Six officers of the Department of Transportation each of whom represents each of the following agencies within the Department: the Office of the Secretary, Federal Highway Administration, Urban Mass Transportation Administration, National Highway Traffic Safety Administration, Research and Special Programs Administration, and Federal Railroad Administration.

(ii) Five representatives of State and local governments.

(iii) Eight representatives of the transportation industry and organizations of employees in such industry. A vacancy in the membership of the council shall be filled in the manner in which the original appointment was made.

(C) Each of the members appointed by the Secretary shall serve for a term of five years. Members of the council shall serve without pay. The chairman of the council shall be designated by the Secretary.

(D) The council shall meet at least annually and at such other times as the chairman may designate.

(E) Subject to subchapter II of chapter 5 of title 5, United States Code, the council may secure directly from any department or agency of the United States information necessary to enable it to carry out this subsection. Upon request of the Chairman of the council, the head of such department or agency shall furnish such information to the council.

(F) Section 14 of the Federal Advisory Committee Act shall not apply to the council.

(8) Administrative responsibility for carrying out this subsection shall be in the Office of the Secretary.

(9) The Secretary shall allocate funds made available to carry out this subsection equitably among the Federal regions.

(10) Not less than 5 percent of the funds made available to carry out this subsection for any fiscal year shall be available to carry out technology transfer activities.

GENERAL PROVISIONS

SEC. 12. (a) * * *

* * * * * * *

(c) As used in this Act—

(1) the term "construction" means the supervising, inspecting, actual building, and all expenses incidental to the acquisition, construction, or reconstruction of facilities and equipment for use in public transportation, including designing, engineering, location suveying, mapping, acquisition of rights-of-way, *relocation assistance*, acquisition of replacement housing sites, acquisition and rehabilitation, relocation, and construction of replacement housing, and such term also means any bus rehabilitation project which extends the economic life of a bus five years or more *and any bus remanufacturing project which extends the economic life of a bus eight years or more*;

* * * * * * *

PLANNING AND DESIGN OF MASS TRANSPORTATION FACILITIES TO MEET SPECIAL NEEDS OF THE ELDERLY AND THE HANDICAPPED

SEC. 16. (a) It is hereby declared to be the national policy that elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning and design of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and that all Federal programs offering assistance in the field of mass transportation (including the programs under this Act) should contain provisions implementing this policy.

(b) In addition to the grants and loans otherwise provided for under this Act, the Secretary is authorized to make grants and loans—

(1) to States and local public bodies and agencies thereof for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons, with such grants and loans being subject to all of the terms, conditions, requirements, and provisions applicable to grants and loans made under section 3(a) and being considered for the purposes of all other laws to have been made under such section; and

(2) to private nonprofit corporations and associations for the specific purpose of assisting them in providing transportation services meeting the special needs of elderly and handicapped persons for whom mass transportation services planned, designed, and carried out under paragraph (1) are unavailable, insufficient, or inappropriate, with such grants and loans being subject to such terms, conditions, requirements, and provisions (similar insofar as may be appropriate to those applicable to grants and loans under paragraph (1)) as the Secretary may determine to be necessary or appropriate for purposes of this paragraph.

[Of the total amount authorized to be appropriated pursuant to section 21(a)(2) of this Act, 3.5 per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs).**]**

(c) Of any amounts made available to finance research, development, and demonstration projects under section 6 after the date of the enactment of this section, 1½ per centum may be set aside and used exclusively to increase the information and technology which is available to provide improved transportation facilities and services planned and designed to meet the special needs of elderly and handicapped persons.

[(c)**]** *(d)* In carrying out subsection (a) of this section, section 165(b) of the Federal-Aid Highway Act of 1973, and section 504 of the Rehabilitation Act of 1973 (consistent with any applicable Government-wide standards for the implementation of such section 504), the Secretary shall, not later than ninety days after the date of the enactment of this subsection, publish in the Federal Register for public comment, proposed regulations and, not later than one hundred and eighty days after the date of such enactment, promulgate final regulations, establishing (1) minimum criteria for the provision of transportation services to handicapped and elderly individuals by recipients of Federal financial assistance under this Act or under any provision of law referred to in section 165(b) of the Federal-Aid Highway Act of 1973, and (2) procedures for the Secretary to monitor recipients' compliance with such criteria. Such regulations shall include provisions for ensuring that organizations and groups representing such individuals are given adequate notice of and opportunity to comment on the proposed activities of recipients for the purpose of achieving compliance with such regulations.

EMERGENCY OPERATING ASSISTANCE

SEC. 17. (a) * * *

* * * * * * *

(d) The Federal share of the costs of any rail passenger service required by subsections (c) and (e) of section 304 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 744 (c) and (e) shall be as follows:

(1) 100 percent of the costs eligible under subsections (a)(1) or (a)(2) of this section for the 180-day mandatory operation period required by section 304(e) of such Act;

(2) 100 percent for the 180-day period following the 180-day mandatory operation period;

(3) 90 percent for the 12-month period succeeding the period specified in subparagraph (2) of this subsection; and

(4) 80 percent for the period ending September 30, 1978. **[**; and**]**

* * * * * * *

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 21. (a)(1) There is hereby authorized to be appropriated to carry out the provisions of sections 9 and 18 of this Act not to exceed $2,750,000,000 for the fiscal year ending September 30, 1984, $2,950,000,000 for the fiscal year ending September 30, 1985, and $3,050,000,000 for the fiscal year ending September 30, 1986, and funds appropriated under this subsection shall remain available until expended.

(2)(A) There shall be available from the Mass Transit Account of the Highway Trust Fund only to carry out sections 9A and 18 of this Act $779,000,000 for fiscal year 1983.

(B) There shall be available from the Mass Transit Account of the Highway Trust Fund only to carry out sections 3, 4(i), 8, and 16(b) of this Act $1,250,000,000 for fiscal year 1984**[**, $1,100,000,000 for fiscal year 1985, and $1,100,000,000 for fiscal year 1986.**]**.

(C)(i) There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to finance grants and loans under section 3 of this Act for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities not less than $140,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

(ii) There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to finance grants and loans under section 3 of this Act for rail modernization not less than $562,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

(iii) There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to finance grants and loans under section 3 of this Act for construction of new fixed guideway systems and extensions to fixed guideway systems not less than $562,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

(iv) In addition to amounts made available by the preceding clauses of this subparagraph, there shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to finance grants and loans under section 3 of this Act not less than $141,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

(v) There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to carry out section 8 of this Act not less than $50,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

(vi) There shall be available for obligation from the Mass Transit Account of the Highway Trust Fund to carry out sections 4(i) and 16(b) of this Act not less than $40,000,000 per fiscal year for each of the fiscal years 1985, 1986, and 1987.

(D) Of the funds made available by subparagraph (B) of this paragraph and not obligated on or before September 30, 1984, as a result of the obligation ceiling imposed by title I of the Department of Transportation and Related Agencies Appropriations Act, 1984 (97 Stat. 466)—

(i) not less than $2,500,000 shall be available in the fiscal year ending September 30, 1985, only for obligation to finance grants and loans under section 3 of this Act for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities;

(ii) not less than $10,000,000 shall be available in the fiscal year ending September 30, 1985, only for obligation to finance grants and loans under section 3 of this Act for rail modernization;

(iii) not less than $10,000,000 shall be available in the fiscal year ending September 30, 1985, only for obligation to finance

grants and loans under section 3 of this Act of construction of new fixed guideway systems and extensions of fixed guideway systems; and

(iv) not less than $2,500,000 shall be available in the fiscal year ending September 30, 1985, only for obligation to finance grants and loans under section 3 of this Act.

[(C)]*(E)* Notwithstanding any other provision of law, approval by the Secretary of a grant *or loan* with funds made available under subparagraphs (A) [and (B)], *(B), (C), and (D)* of this paragraph shall be deemed a contractual obligation of the United States for payment of the Federal share of the cost of the project.

(F) Funds made available under this paragraph shall remain available until expended.

(G) Notwithstanding any other provisions of law, the total of all obligations under the Urban Mass Transportation Act of 1964 from the Mass Transit Account of the Highway Trust Fund shall not exceed $1,520,000,000 for fiscal year 1985, $1,495,000,000 for fiscal year 1986, and $1,495,000,000 for fiscal year 1987.

(3) In fiscal year 1983, 2.93 per centum of the amount made available from the Mass Transit Account of the Highway Trust Fund under paragraph (2) of this subsection shall be available to carry out section 18 of this Act.

(4) In each of fiscal years 1984, 1985, and 1986, 2.93 per centum of the amount appropriated from the general fund of the Treasury under paragraph (1) of this subsection shall be available to carry out section 18 of this Act and shall remain available until expended.

(5) Of the funds available for obligation under paragraph (2)(B), $50,000,000 shall be used in [each of fiscal years 1984, 1985, and 1986] *fiscal year 1984* for the purposes of section 8 of this Act. Nothing herein shall prevent the use of additional funds available under this subsection for planning purposes.

* * * * * * *

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970

TITLE I—GENERAL PROVISIONS

SEC. 101. As used in this Act—

[(a) The term "Federal agency" means any department, agency, or instrumentality in the executive branch of the Government (except the National Capital Housing Authority), any wholly owned Government corporation (except the District of Columbia Redevelopment Land Agency), and the Architect of the Capitol, the Federal Reserve banks and branches thereof.]

(1) The term "Federal agency" means any department, agency, or instrumentality in the executive branch of the Government, any wholly owned Government corporation, the Architect of the Capitol, the Federal Reserve banks and branches thereof, and any person

who has the authority to acquire property by eminent domain under Federal law.

* * * * * * *

[(3) The term "State agency" means the National Capital Housing Authority, the District of Columbia Redevelopment Land Agency, and any department, agency, or instrumentality of a State or of a political subdivision of a State, or any department, agency, or instrumentality of two or more States or of two or more political subdivisions of a State or States.]

(3) The term "State agency" means any department, agency, or instrumentality of a State or of a political subdivision of a State, any department, agency, or instrumentality of two or more States or of two or more political subdivisions of a State or States, and any person who has the authority to acquire property by eminent domain under State law.

(4) The term "Federal financial assistance" means a grant, loan, or contribution provided by the United States, except any Federal guarantee or insurance, *any interest reduction payment to an individual in connection with the purchase and occupancy of a residence by that individual,* and any annual payment or capital loan to the District of Columbia.

* * * * * * *

[(6) The term "displaced person" means any person who, on or after the effective date of this Act, moves from real property, or moves his personal property from real property, as a result of the acquisition of such real property, in whole or in part, or as the result of the written order of the acquiring agency to vacate real property, for a program or project undertaken by a Federal agency, or with Federal financial assistance; *and solely* for the purposes of sections 202(a) and (b) and 205 of this title, as a result of the acquisition of or as the result of the written order of the acquiring agency to vacate other real property, on which such person conducts a business or farm operation, for such program or project.]

(6) The term "displaced person" means—

(A) any person who moves from real property, or moves his personal property from real property—

(i) as a direct result of a written notice of intent to acquire or the acquisition of such real property in whole or in part for a program or project undertaken by a Federal agency or with Federal financial assistance, or

(ii) as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, under a program or project undertaken by a Federal agency or with Federal financial assistance in any case in which the person is a residential tenant and the head of the displacing agency determines that such displacement is permanent; and

(B) solely for the purposes of sections 202(a) and (c) and 205 of this title, any person who moves from real property, or moves his personal property from real property—

(i) on which such person conducts a business or farm operation, as a direct result of a written notice of intent to ac-

quire or the acquisition of such real property in whole or in part for a program or project undertaken by a Federal agency or with Federal Financial assistance; or

(ii) on which such person conducts a small business or a farm operation, as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, under a program or project undertaken by a Federal agency or with Federal financial assistance where the head of the displacing agency determines that such displacement is permanent.

Such term does not include a person who has been determined, according to criteria established by the head of the lead agency, to be either in unlawful occupancy of the displacement dwelling or to have occupied such dwelling for the purpose of obtaining assistance under this Act. Such term also does not include, in any case in which the displacing agency acquires property for a program or project, any person (other than a person who was an occupant of such property at the time it was acquired) who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project.

* * * * * * *

(10) The term "comparable replacement dwelling" means any dwelling that is (A) decent, safe, and sanitary; (B) adequate in size to accommodate the occupants; (C) within the financial means of the displaced person; (D) functionally equivalent and substantially the same as the replacement dwelling with respect to number of rooms and living space; (E) in an area not subject to unreasonable adverse environmental conditions; and (F) in a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities, facilities, services and the displaced person's place of employment.

(11) The term "displacing agency" means any Federal agency carrying out a program or project, and any State, State agency, or person carrying out a program or project with Federal financial assistance, which causes a person to be a displaced person.

(12) The term "lead agency" means the Department of Transportation.

(13) The term "appraisal" means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

* * * * * * *

CERTIFICATION

SEC. 103. (a)(1) Notwithstanding sections 210 and 305 of this Act, the head of a Federal agency may discharge any of his responsibilities under this Act, by accepting a certification by a State agency that it will perform such responsibility, if the head of such Federal agency finds that such responsibility will be performed in accordance with State laws, regulations, directives, and standards which will accomplish the purpose and effect of this Act. Prior to accept-

ing a certification under the preceding sentence, the head of the Federal agency shall provide interested parties with an opportunity for public review and comment and shall consult with interested local general purpose governments.

(2) The head of the lead agency shall issue guidelines and regulations to carry out this section.

(3) The head of the lead agency shall, in coordination with other Federal agencies, monitor from time to time, and report biennially to the Congress on, State agency implementation of this section. A State agency shall make available any information required for such purpose.

(4) After consultation with the head of the lead agency, the head of a Federal agency may rescind his acceptance of any certification under this section, in whole or in part, if the State agency fails to comply with such certification or with State law.

(b) The head of a Federal agency may withhold his approval of any Federal financial assistance to or contract or cooperative agreement with any displacing agency found to have failed to comply with any certification under this section or with a State law.

TITLE II—UNIFORM RELOCATION ASSISTANCE

[DECLARATION OF POLICY

[SEC. 201. The purpose of this title is to establish a uniform policy for the fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs in order that such persons shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole.]

DECLARATION OF FINDINGS AND POLICY

SEC. 201. (a) The Congress finds and declares that—

(1) displacement as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance is caused by a number of activities, including rehabilitation, demolition, code enforcement, and acquisition;

(2) relocation assistance policies must provide for fair, uniform, and equitable treatment of all affected persons;

(3) the displacement of businesses often results in their closure;

(4) minimizing the adverse impact of displacement of businesses is essential to maintaining the economic and social well-being of communities; and

(5) implementation of this Act has resulted in burdensome, inefficient, and inconsistent compliance requirements and procedures which will be improved by establishing a lead agency and allowing for State certification and implementation.

(b) This title establishes a uniform policy for the fair and equitable treatment of persons displaced as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance. The primary purpose of this title is to ensure that such persons shall not suffer disproportionate injuries as a result of programs and projects designed for the benefit of the public as a whole and to minimize the hardship of displacement on such persons.

(c) It is the intent of Congress that—

(1) Federal agencies shall carry out this title in a manner which minimizes waste, fraud, and mismanagement and reduces unnecessary administrative costs borne by States and State agencies in providing relocation assistance;

(2) uniform procedures for the administration of relocation assistance shall, to the maximum extent feasible, assure that the unique circumstances of any displaced person are taken into account and that persons in essentially similar circumstances are accorded equal treatment under this Act; and

(3) the improvement of housing conditions of economically disadvantaged persons under this title shall be undertaken, to the maximum extent feasible, in coordination with existing Federal, State, and local governmental programs for accomplishing such goals.

MOVING AND RELATED EXPENSES

SEC. 202. [(a) Whenever the acquisition of real property for a program or project undertaken by a Federal agency in any State will result in the displacement of any person on or after the effective date of this Act, the head of such agency shall make a payment to any displaced person, upon proper application as approved by such agency head, for—]

(a) Whenever a program or project to be undertaken by a displacing agency will result in the displacement of any person, the head of the displacing agency shall provide for the payment to the displaced person of—

(1) actual reasonable expenses in moving himself, his family, business, farm operation, or other personal property;

(2) actual direct losses of tangible personal property as a result of moving or discontinuing a business or farm operation, but not to exceed an amount equal to the reasonable expenses that would have been required to relocate such property, as determined by the head of the agency; [and

(3) actual reasonable expenses in searching for a replacement business or farm.]; *and*

(4) actual reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site, but not to exceed $100,000.

(b) Any displaced person eligible for payments under subsection (a) of this section who is displaced from a dwelling and who elects to accept the payments authorized by this subsection in lieu of the payments authorized by subsection (a) of this section may receive [a moving expense, allowance, determined according to a schedule established by the head of the Federal agency, not to exceed $300; and a dislocation allowance of $200.] *an expense and dislocation allowance, which shall be determined according to a schedule established by the head of the lead agency.*

[(c) Any displaced person eligible for payments under subsection (a) of this section who is displaced from his place of business or from his farm operation and who elects to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section, may receive a fixed payment in an amount equal to the average annual net earnings of the business or farm operation, except that such payment shall be not less than $2,500 nor more than $10,000. In the case of a business no payment shall be made under this subsection unless the head of the Federal agency is satisfied that the business (1) cannot be located without a substantial loss of its existing patronage, and (2) is not a part of a commercial enterprise having at least one other establishment not being acquired by the United States, which is engaged in the same or similar business. For purposes of this subsection, the term "average annual net earnings" means one-half of any net earnings of the business or farm operation, before Federal, State, and local income taxes, during the two taxable years immediately preceding the taxable year in which such business or farm operation moves from the real property acquired for such project, or during such other period as the head of such agency determines to be more equitable for establishing such earnings, and includes any compensation paid by the business or farm operation to the owner, his spouse, or his dependents during such period.]

(c) Any displaced person eligible for payments under subsection (a) of this section who is displaced from the person's place of business or farm operation and who is eligible under criteria established by the head of the lead agency may elect to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section. Such payment shall consist of a fixed payment in an amount to be determined according to criteria established by the head of the lead agency, except that such payment shall not be less than $1,000 nor more than $20,000.

REPLACEMENT HOUSING FOR HOMEOWNER

SEC. 203. (a)(1) In addition to payments otherwise authorized by this title, the head of the [Federal] *displacing* agency shall make an additional payment not in excess of [$15,000] *$22,500* to any displaced person who is displaced from a dwelling actually owned and occupied by such displaced person for not less than one hundred and eighty days prior to the initiation of negotiations for the acquisition of the property. Such additional payment shall include the following elements:

(A) The amount, if any, which when added to the acquisition cost of the dwelling [acquired by the Federal agency, equals the reasonable cost of a comparable replacement dwelling which is a decent, safe, and sanitary dwelling adequate to accommodate such displaced person, reasonably accessible to public services and places of employment and available on the private market.] *acquired by the displacing agency, equals the reasonable cost of a comparable replacement dwelling.* All determinations required to carry out this subparagraph shall be made in accordance with standards established by the head of the Federal agency making the additional payment.

[(B) The amount, if any, which will compensate such displaced person for any increased interest costs which such person is required to pay for financing the acquisition of any such comparable replacement dwelling. Such amount shall be paid only if the dwelling acquired by the Federal agency was encumbered by a bona fide mortgage which was a valid lien on such dwelling for not less than one hundred and eighty days prior to the initiation of negotiations for the acquisition of such dwelling. Such amount shall be equal to the excess in the aggregate interest and other debt service costs of that amount of the principal of the mortgage on the replacement dwelling which is equal to the unpaid balance of the mortgage on the acquired dwelling, over the remainder term of the mortgage on the acquired dwelling, reduced to discounted present value. The discount rate shall be the prevailing interest rate paid on savings deposits by commercial banks in the general area in which the replacement dwelling is located.]

(B) The amount, if any, which will compensate such displaced person for any increased interest costs and other debt service costs which such person is required to pay for financing the acquisition of any such comparable replacement dwelling. Such amount shall be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage which was a valid lien on such dwelling for not less than one hundred and eighty days immediately prior to the initiation of negotiations for the acquisition of such dwelling.

* * * * * * *

[(2) The additional payment authorized by this subsection shall be made only to such a displaced person who purchases and occupies a replacement dwelling which is decent, safe, and sanitary not later than the end of the one year period beginning on the date on which he receives from the Federal agency final payment of all costs of the acquired dwelling, or on the date on which he moves from the acquired dwelling, whichever is the later date.]

(2) The additional payment authorized by this section shall be made only to a displaced person who purchases and occupies a decent, safe, and sanitary replacement dwelling within one year after the date on which such person receives final payment from the displacing agency for the acquired dwelling or the date on which the displacing agency's obligation under section 205(c)(3) of this Act is met, whichever is later, except that the displacing agency may extend such period for good cause. If such period is extended, the payment under this section shall be based on the costs of relocating the person to a comparable replacement dwelling within one year of such date.

* * * * * * *

[REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS

[SEC. 204. In addition to amounts otherwise authorized by this title, the head of the Federal agency shall make a payment to or for any displaced person displaced from any dwelling not eligible to receive a payment under section 203 which dwelling was actually and lawfully occupied by such displaced person for not less than ninety days prior to the initiation of negotiations for acquisition of such dwelling. Such payment shall be either—

[(1) the amount necessary to enable such displaced person to lease or rent for a period not to exceed four years, a decent, safe, and sanitary dwelling of standards adequate to accommodate such person in areas not generally less desirable in regard to public utilities and public and commercial facilities, and reasonably accessible to his place of employment, but not to exceed $4,000, or

[(2) the amount necessary to enable such person to make a down payment (including incidental expenses described in section 203(a)(1)(C) on the purchase of a decent, safe, and sanitary dwelling of standards adequate to accommodate such person in areas not generally less desirable in regard to public utilities and public and commercial facilities, but not to exceed $4,000, except that if such amount exceeds $2,000, such person must equally match any such amount in excess of $2,000, in making the down payment.]

REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS

SEC. 204. (a) In addition to amounts otherwise authorized by this title, the head of a displacing agency shall make a payment to or for any displaced person displaced from any dwelling not eligible to receive a payment under section 203 which dwelling was actually and lawfully occupied by such displaced person for not less than ninety days immediately prior to (1) the initiation of negotiations for acquisition of such dwelling, or (2) in any case in which displacement is not a direct result of acquisition, such other event as the head of the lead agency shall prescribe. Such payment shall consist of the amount necessary to enable such person to lease or rent for a period not to exceed four years, a comparable replacement dwelling, but not to exceed $6,900. At the discretion of the head of the displacing agency, a payment under this subsection may be made in periodic installments. Computation of a payment under this subsection to a low-income displaced person for a comparable replacement dwelling shall take into account such person's income.

(b) Any person eligible for a payment under subsection (a) of this section may elect to apply such payment to a down payment on, and other incidental expenses pursuant to, the purchase of a decent, safe, and sanitary replacement dwelling. Any such person may, at the discretion of the head of the displacing agency, be eligible under this subsection for the maximum payment allowed under subsection (a), except that, in the case of a displaced homeowner who has occupied the displacement dwelling for at least ninety days but not more than one hundred and eighty days immediately prior to the initiation of negotiations for the acquisition of such dwelling, such payment shall not exceed the payment such person would otherwise have received under section 203(a) of this Act had the person occupied the displacement dwelling for one hundred and eighty days immediately prior to the initiation of such negotiations.

[RELOCATION ASSISTANCE ADVISORY SERVICES

[SEC. 205. (a) Whenever the acquisition of real property for a program or project undertaken by a Federal agency in any State will result in the displacement of any person on or after the effective date of this section, the head of such agency shall provide a relocation assistance advisory program for displaced persons which shall offer the services described in subsection (c) of this section. If such agency head determines that any person occupying property immediately adjacent to the real property acquired is caused substantial economic injury because of the acquisition, he may offer such person relocation advisory services under such program.

[(b) Federal agencies administering programs which may be of assistance to displaced persons covered by this Act shall cooperate to the maximum extent feasible with the Federal or State agency causing the displacement to assure that such displaced persons receive the maximum assistance available to them.

[(c) Each relocation assistance advisory program required by subsection (a) of this section shall include such measures, facilities, or services as may be necessary or appropriate in order to—

[(1) determine the need, if any, of displaced persons, for relocation assistance;

[(2) provide current and continuing information on the availability, prices, and rentals, of comparable decent, safe, and sanitary sales and rental housing, and of comparable commercial properties and locations for displaced businesses;

[(3) assure that, within a reasonable period of time, prior to displacement there will be available in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and individuals displaced, decent, safe, and sanitary dwellings, as defined by such Federal agency head, equal in number to the number of and available to such displaced persons who require such dwellings and reasonably accessible to their places of employment, except that the head of that Federal agency may prescribe by regulation situations when such assurances may be waived;

[(4) assist a displaced person displaced from his business or farm operation in obtaining and becoming established in a suitable replacement location;

[(5) supply information concerning Federal and State housing programs, disaster loan programs, and other Federal or State programs offering assistance to displaced persons; and

[(6) provide other advisory services to displaced persons in order to minimize hardships to such persons in adjusting to relocation.

[(d) The heads of Federal agencies shall coordinate relocation activities with project work, and other planned or proposed governmental actions in the community or nearby areas which may affect the carrying out of relocation assistance programs.]

RELOCATION PLANNING, ASSISTANCE COORDINATION, AND ADVISORY SERVICES

SEC. 205. (a) At an early stage in the planning of a program or project undertaken by a Federal agency or with Federal financial assistance and before the commencement of any actions which will cause displacements, a relocation analysis shall be developed by the displacing agency to assist it in the recognition and successful resolution of those problems associated with the displacements of individuals, families, businesses and farm operations in order to mini-

mize adverse impacts on displaced persons and to expedite program or project advancement and completion.

(b) The head of any displacing agency shall ensure that the relocation assistance advisory services described in subsection (c) of this section are made available to all persons displaced by such agency. If such agency head determines that any person occupying property immediately adjacent to the property where the displacing activity occurs is caused substantial economic injury as a result thereof, the agency head may make available to such person such advisory services.

(c) Each relocation assistance advisory program required by subsection (b) of this section shall include such measures, facilities, or services as may be necessary or appropriate in order to—

(1) determine, and make timely recommendations on, the needs and preferences, if any, of displaced persons for relocation assistance;

(2) provide current and continuing information on the availability, sales prices, and rental charges of comparable replacement dwellings for displaced homeowners and tenants and suitable locations for businesses and farm operations;

(3) assure that a person shall not be required to move from a dwelling unless the person has had a reasonable opportunity to relocate to a comparable replacement dwelling, except in the case of—

(A) a major disaster as defined in section 102(2) of the Disaster Relief Act of 1974;

(B) a national emergency declared by the President; or

(C) any other emergency which requires the person to move immediately from the dwelling because continued occupancy of such dwelling by such person constitutes a substantial danger to the health or safety of such person;

(4) assist a person displaced from a business or farm operation in obtaining and becoming established in a suitable replacement location;

(5) supply (A) information concerning other Federal and State programs which may be of assistance to displaced persons, and (B) technical assistance to such persons in applying for assistance under such programs; and

(6) provide othe advisory services to displaced persons in order to minimize hardships to such persons in adjusting to relocation.

(d) The head of a displacing agency shall coordinate the relocation activities performed by such agency with other Federal, State, or local governmental actions in the community which could affect the efficient and effective delivery of relocation assistance and related services.

(e) Whenever two or more Federal agencies provide financial assistance to a displacing agency other than a Federal agency, to implement functionally or geographically related activities which will result in the displacement of a person, the heads of such Federal agencies may agree that the procedures of one of such agencies shall be utilized to implement this title with respect to such activities. If such agreement cannot be reached, then the head of the lead agency, shall designate one of such agencies as the agency whose procedures

shall be utilized to implement this title with respect to such activities. Such related activities shall constitute a single program or project for purposes of this Act.

(f) Notwithstanding section 101(6) of this Act, in any case in which a displacing agency acquires property for a program or project, any person who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project shall be eligible for advisory services to the extent determined by the displacing agency.

[HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT

[SEC. 206. (a) If a Federal project cannot proceed to actual construction because comparable replacement sale or rental housing is not available, and the head of the Federal agency determines that such housing cannot otherwise be made available he may take such action as is necessary or appropriate to provide such housing by use of funds authorized for such project.

[(b) No person shall be required to move from his dwelling on or after the effective date of this title, on account of any Federal project, unless the Federal agency head is satisfied that replacement housing, in accordance with section 205(c)(3), is available to such person.]

HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT

SEC. 206. (a) If a program or project undertaken by a Federal agency or with Federal financial assistance cannot proceed on a timely basis because comparable replacement dwellings are not available, and the head of the displacing agency determines that such dwellings cannot otherwise be made available, the head of the displacing agency may take such action as is necessary or appropriate to provide such dwellings by use of funds authorized for such project. The head of the displacing agency may use this section to exceed the maximum amounts which may be paid under section 203 and 204 on a case-by-case basis for good cause as determined in accordance with such regulations as the head of the lead agency shall issue.

(b) No person shall be required to move from his dwelling on account of any program or project undertaken by a Federal agency or with Federal financial assistance, unless the head of the displacing agency is satisfied that comparable replacement housing is available to such person.

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REQUIREMENTS FOR RELOCATION PAYMENTS AND ASSISTANCE OF FEDERALLY ASSISTED PROGRAM; ASSURANCES OF AVAILABILITY OF HOUSING

SEC. 210. Notwithstanding any other law, the head of a Federal agency shall not approve any grant to, or contract or agreement with, a [State agency,] *displacing agency (other than a Federal agency)*, under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the displacement of any person on or after the effective date of this title, unless he receives satisfactory assurances from such [State agency] *displacing agency* that—

(1) fair and reasonable relocation payments and assistance shall be provided to or for displaced persons, as are required to be provided by a Federal agency under sections 202, 203, and 204 of this title;

(2) relocation assistance programs offering the services described in section 205 shall be provided to such displaced persons;

(3) within a reasonable period of time prior to displacement, [decent, safe, and sanitary] *comparable* replacement dwellings will be available to displaced persons in accordance with section 205(c)(3).

FEDERAL SHARE OF COSTS

[Sec. 211. (a) The cost to a State agency of providing payments and assistance pursuant to sections 206, 210, 215, and 305, shall be included as part of the cost of a program or project for which Federal financial assistance is available to such State agency, and such State agency shall be eligible for Federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program or project costs, except that, notwithstanding any other law in the case where the Federal financial assistance is by grant or contribution the Federal agency shall pay the full amount of the first $25,000 of the cost to a State agency of providing payments and assistance for a displaced person under sections 206, 210, 215, and 305, on account of any acquisition or displacement occurring prior to July 1, 1972, and in any case where such Federal financial assistance is by loan, the Federal agency shall loan such State agency the full amount of the first $25,000 of such cost.

[(b) No payments or assistance under section 210 or 305 shall be required or included as a program or project cost under this section, if the displaced person receives a payment required by the State law of eminent domain which is determined by such Federal agency head to have substantially the same purpose and effect as such payment under this section, and to be part of the cost of the program or project for which Federal financial assistance is available.]

(a) The cost to a displacing agency of providing payments and assistance pursuant to titles II and III shall be included as part of the cost of a program or project undertaken by a Federal agency or with Federal financial assistance. A displacing agency, other than a Federal agency, shall be eligible for Federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program or project costs.

(b) No payment or assistance under title II or III of this Act shall be required or included as a program or project cost under this section, if the displaced person receives a payment required by State law which is determined by the head of the lead agency to have substantially the same purpose and effect as such payment under this section.

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[REGULATIONS AND PROCEDURES

[SEC. 213. (a) In order to promote uniform and effective administration of relocation assistance and land acquisition of State or local housing agencies, or other agencies having programs or projects by Federal agencies or programs or projects by State agencies receiving Federal financial assistance, the heads of Federal agencies shall consult together on the establishment of regulations and procedures for the implementation of such programs.

[(b) The head of each Federal agency is authorized to establish such regulations and procedures as he may determine to be necessary to assure—

[(1) that the payments and assistance authorized by this Act shall be administered in a manner which is fair and reasonable, and as uniform as practicable;

[(2) that a displaced person who makes proper application for a payment authorized for such person by this title shall be paid promptly after a move or, in hardship cases, be paid in advance; and

[(3) that any person aggrieved by a determination as to eligibility for a payment authorized by this Act, or the amount of a payment, may have his application reviewed by the head of the Federal agency having authority over the applicable program or project, or in the case of a program or project receiving Federal financial assistance, by the head of the State agency.

[(c) The head of each Federal agency may prescribe such other regulations and procedures, consistent with the provisions of this Act, as he deems necessary or appropriate to carry out this Act.]

DUTIES OF LEAD AGENCY

SEC. 213. (a) The head of the lead agency shall—

(1) develop, publish, and issue, with the active participation of other Federal agencies responsible for funding relocation and acquisition actions, and in coordination with State and local governments, such regulations as may be necessary to carry out this Act;

(2) ensure that relocation assistance activities under this Act are coordinated with low-income housing assistance programs or projects by a Federal agency or a State or State agency with Federal financial assistance;

(3) monitor, in coordination with other Federal agencies, the implementation and enforcement of this Act and report to the Congress, as appropriate, on any major issues or problems with respect to any policy or other provision of this Act; and

(4) perform such other duties as may be provided by law as relate to the purposes of this Act.

(b) The head of the lead agency is authorized to establish such regulations and procedures as he may determine to be necessary to assure—

(1) that the payments and assistance authorized by this Act shall be administered in a manner which is fair and reasonable and as uniform as practicable;

(2) that a displaced person who makes proper application for a payment authorized for such person by this title shall be paid promptly after a move or, in hardship cases, be paid in advance; and

(3) that any aggrieved person may have his application reviewed by the head of the Federal agency having authority over the applicable program or project or, in the case of a program or project receiving Federal financial assistance, by the State agency having authority over such program or project or the Federal agency having authority over such program or project if there is no such State agency.

[ANNUAL REPORT

[SEC. 214. The head of each Federal agency shall prepare and submit an annual report to the President on the activities of such agency with respect to the programs and policies established or authorized by this Act, and the President shall submit such reports to the Congress not later than January 15 of each year, beginning January 15, 1972, and ending January 15, 1975, together with his comments or recommendations. Such reports shall give special attention to: (1) the effectiveness of the provisions of this Act assuring the availability of comparable replecement housing, which is decent, safe, and sanitary, for displaced homeoweners and tenants; (2) actions taken by the agency to achieve the objectives of the policies of Congress, declared in this Act, to provide uniform and equal treatment, to the greatest extent practicable, for all persons displaced by, or having real property taken for, Federal or federally assisted programs; (3) the views of the Federal agency head on the progress made to achieve such objectives in the various programs conducted or administered by such agency, and among the Federal agencies; (4) any indicated effects of such programs and policies on the public; and (5) any recommendations he may have for further improvements in relocation assistance and land acquisition programs, policies, and implementing laws and regulations.]

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PAYMENTS NOT TO BE CONSIDERED AS INCOME

SEC. 216. No payment received under this title shall be considered as income for the purposes of the Internal Revenue Code of 1954; or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other Federal law *(except for any Federal law providing low-income housing assistance).*

[DISPLACEMENT BY CODE ENFORCEMENT, REHABILITATION, AND DEMOLITION PROGRAMS RECEIVING FEDERAL ASSISTANCE

[SEC. 217. A person who moves or discontinues his business, or moves other personal property, or moves from his dwelling on or after the effective date of this Act, as a direct result of any project or program which receives Federal financial assistance under title I of the Housing Act of 1949, as amended, or as a result of carrying out a comprehensive city demonstration program under title I of the Demonstration Cities and Metropolitan Development Act of 1966 shall, for the purposes of this title, be deemed to have been displaced as the result of the acquisition of real property.]

TRANSFERS OF SURPLUS PROPERTY

SEC. 218 The Administrator of General Services is authorized to transfer to a State agency for the purpose of providing replacement housing required by this title, any real property surplus to the needs of the United States within the meaning of the Federal Property and Aministrative Services Act of 1949, as amended. Such transfer shall be subject to such terms and conditions as the Administrator determines necessary to protect the interests of the United States and may be made without monetary consideration, except that such State agency shall pay to the United States all *net* amounts received by such agency from any sale, lease, other disposition of such property for such housing.

[DISPLACEMENT BY A SPECIFIC PROGRAM

[SEC. 219. Notwithstanding any other provision of this title, a person—

[(1) who moves or discontinues his business, moves other personal property, or moves from his dewlling on or after January 1, 1969, and before the 90th day after the date of enactment of this act as the result of the contemplated demolition of structures or the construction of improvements on real property acquired, in whole or in part, by a Federal agency within the area in New York, New York, bounded by Lexington and Third Avenues and 31st and 32d Streets; and

[(2) who has lived on, or conducted a business on, such real property for at least one year prior to the date of enactment of this Act;

may be considered a displaced person for purposes of sections 202 (a) and (b), 204, and 205 of this title, by the head of the agency acquiring the real property if—

[(A) the head of the agency determines that such person has suffered undue hardship as the result of displacement from the real property; and

[(B) the Federal Government acquired and held such property for at least five years prior to the date of enactment of this Act.]

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TITLE III—UNIFORM REAL PROPERTY ACQUISITION POLICY

UNIFORM POLICY ON REAL PROPERTY ACQUISITION PRACTICES

SEC. 301. In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts, to assure consistent treatment for owners in the many Federal programs, and to promote public confidence in Federal land acquisition practices, heads of Federal agencies shall, to the greatest extent practicable, be guided by the following policies:

(1) The head of a Federal agency shall make every reasonable effort to acquire expeditiously real property by negotiation.

(2) Real property shall be appraised before the initiation of negotiations, and the owner or his designated representative shall be given an opportunity to accompany the appraiser during his inspection of the property, *except that the head of the lead agency may prescribe a procedure to waive the appraisal in cases involving the acqusition by sale or donation of property with a low fair market value.*

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[(9) If the acquisition of only part of a property would leave its owner with an uneconomic remnant, the head of the Federal agency concerned shall offer to acquire the entire property.]

(9) If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the head of the Federal agency concerned shall offer to acquire that remnant. For the purposes of this Act, an uneconomic remnant is a parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property and which the head of the Federal agency concerned has determined has little or no value or utility to the owner.

(10) A person whose real property is being acquired in accordance with this title may, after the person has been fully informed of his right to receive just compensation for such property, donate such property, and part thereof, any interest therein, or any compensation paid therefor to a Federal agency, as such person shall determine.

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REQUIREMENTS FOR UNIFORM LAND ACQUISITION POLICIES; PAYMENTS OF EXPENSES INCIDENTAL TO TRANSFER OF REAL PROPERTY TO STATE; PAYMENT OF LITIGATION EXPENSES IN CERTAIN CASES

SEC. 305. *(a)* Notwithstanding any other law, the head of a Federal agency shall not approve any program or project or any grant to, or contract or agreement with, [a State] *an acquiring* agency under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the acquisition of real property on and after the effective date of this title, unless he receives satisfactory assurances from such [State] *acquiring* agency that—

(1) in acquiring real property it will be guided, to the greatest extent practicable under State law, by the land acquisition policies in section 301 and the provisions of section 302, and

(2) property owners will be paid or reimbursed for necessary expenses as specified in sections 303 and 304.

(b) For purposes of this section, the term "acquiring agency" means—

(1) a State agency (as defined in section 101(3)) which has the authority to acquire property by eminent domain under State law, and

(2) a State agency or person which does not have such authority, to the extent provided by the head of the lead agency by regulation.

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